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THE OFFICE FURNITURE MARKET

A MORTON REPORT

MAY, 1975

AN ECONOMIC, MARKETING, AND FINANCIAL INVESTIGATION

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# THE OFFICE FURNITURE INDUSTRY

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## THE OFFICE FURNITURE INDUSTRY

### OVERVIEW

#### The Shortrun

1975 will be a difficult year for office furniture manufacturers, as the economic recession halts the strong growth rate seen during the past three years.

White collar employment is expected to drop, and capital investment will level off after recording strong increases during the last few years. Prices for office furniture will probably level off after rising sharply during the past two years.

As a result, we expect no growth in the office furniture market during 1975. In addition, a concurrent slide of profit margins is expected.

#### The Long Run

As the economy rebounds, we expect gross private fixed investment for producers durable goods to grow at an accelerated rate. In addition white collar employment should resume its strong upward trend.

What this means to the office furniture manufacturer is a 9.0% compounded growth rate through 1985, with shipments reaching \$3.1 billion.

As demand resumes, and material prices soften, profit margins should rebound to their 1973-74 levels.

#### Other Major Findings

- . Exports of wood office furniture increased sharply in 1973, and 1974 (See Section 7).
- . Concentration in wood furniture is up, while metal becomes more competitive (See Section 5, 6).
- . Advertising expenditures were up sharply in 1974 (See Section 12).
- . The Northeast Area is still the biggest manufacturing area for office furniture, but the South Atlantic, specifically N. C., Ga. & Fla., is growing the fastest. This trend will continue (See Section 8).

Continued

THE OFFICE FURNITURE INDUSTRY (CONT'D)

OVERVIEW

Other Major Findings (Cont'd.)

- . Capital expenditures were low during the 1968-1972 period. Programs should be increased in order to build capacity in advance of increased demand. (See Section 3).

# SECTION I

## OFFICE FURNITURE AND THE ECONOMY



Table 1-A

THE OFFICE FURNITURE MARKET  
RELATED TO GENERAL BUSINESS INDICATORS

		Gross Private Fixed Investment For Producers Durable Goods (\$Bil.)	Gross Private Fixed Investment For Durable Goods As A % Of The G.N.P. (\$Mil.)	Gross Private Fixed Investment For Office Furniture Shipments As A % Of Gross Private Fixed Investment For Durable Good
	<u>Gross National Product</u>			
1947	\$231.8	\$ 15.9	6.86%	\$174.7 1.10%
1954	364.8	20.6	5.65	245.9 1.19
1958	447.3	25.0	5.59	340.2 1.36
1959	487.3	28.4	5.83	402.7 1.42
1960	503.7	30.3	6.02	418.6 1.38
1961	520.1	28.6	5.50	406.0 1.42
1962	560.3	32.5	5.80	437.7 1.35
1963	590.5	34.8	5.89	458.5 1.32
1964	632.4	39.9	6.31	488.1 1.22
1965	684.9	45.8	6.69	553.9 1.21
1966	749.9	53.1	7.08	692.2 1.30
1967	793.9	55.3	7.00	744.2 1.35
1968	864.2	58.5	6.77	702.9 1.20
1969	929.1	64.3	6.92	824.6 1.28
1970	976.4	64.4	6.60	797.4 1.24
1971	1,050.4	66.5	6.33	756.0 1.14
1972	1,151.8	75.7	6.57	954.2 1.26
1973	1,294.9	89.8	6.93	1,086.1 1.21
1974	1,397.3	97.4	6.97	1,223.9 1.26
1975	1,459.5	97.8	6.70	1,222.8 1.25
1980	2,177.5	159.5	7.32	2,000.2 1.26
1985	3,200.2	249.4	7.79	3,118.9 1.25

SOURCE: Survey Of Current Business,  
 Census Of Manufactures

Table 1-BWHITE COLLAR EMPLOYMENT TRENDS

	<u>-----Employment-----</u> (000)		<u>% Of All Occupations</u>	
	<u>Total</u> <u>White</u> <u>Collar</u>	<u>Clerical</u> <u>Workers</u>	<u>Total</u> <u>White</u> <u>Collar</u>	<u>Clerical</u> <u>Workers</u>
1950	22,373	7,362	37.5%	12.8%
1955	24,585	8,367	39.0	13.3
1960	28,726	9,783	43.1	14.7
1965	32,104	11,166	44.5	15.5
1966	33,332	11,846	45.0	16.0
1967	34,232	12,333	46.0	16.6
1968	35,551	12,803	46.8	16.9
1969	36,845	13,397	47.3	17.2
1970	37,997	13,714	48.3	17.4
1971	38,252	13,440	48.3	17.0
1972	39,092	14,247	47.8	17.4
1973	40,386	14,548	47.8	17.2
1974	41,751	15,046	48.6	17.5
1975e	40,739	14,156	49.5	17.2
1980p	48,101	17,746	51.5	19.0
1985p	53,661	20,060	53.5	20.0

SOURCE: Bureau Of Labor Statistics

Table 1-C

OFFICE FURNITURE SHIPMENTS RELATIVE TO  
WHITE COLLAR EMPLOYMENT

	Office Furniture Shipments Per White Dollar Employee	Annual % Change
1958	\$12.82	--
1959	14.60	+ 13.9
1960	14.57	- 0.2
1961	14.05	- 3.6
1962	14.68	+ 4.5
1963	15.31	+ 4.3
1964	16.34	+ 6.7
1965	17.25	+ 5.6
1966	20.76	+ 20.3
1967	21.73	+ 4.7
1968	19.77	- 9.0
1969	22.38	+ 13.2
1970	20.99	- 6.2
1971	19.76	- 5.9
1972	24.41	+ 23.5
1973	26.89	+ 10.2
1974	29.31	+ 9.0
1975	30.00	+ 2.4
1980	41.58	+ 5.7
1985p	58.72	+ 8.2

Calculated by Morton Research Corp.

## SECTION II

### THE MARKET

The long term growth rate of the market for office furniture is 7.3%, vs. 9.0% over the past 10 years, and 9.1% over the past 5 years.

Based on our analysis, the market will see no growth for 1975, remaining at about \$1.22 billion. It then could grow at 8.7% a year compounded, reaching \$2.0 billion by 1980. The outlook for the 1980-1985 period is a slightly faster growth with shipments reaching \$3.12 billion.

Wood office furniture will grow slightly faster than metal office furniture, accounting for 23.3% of sales in 1985, vs. 22.6% in 1973.

Faster growing wood products will be chairs, desks, and modular service units.

In the metal office furniture market, faster growing products will be seating products and modular units.

Desks and cabinets and cases will lose some of their dollar market to wood desks and cabinets, due mostly to increased value per unit of the latter.

#### Forecasts are based on:

- 1-- White collar employment trends, and projections.
- 2-- Correlation to gross private fixed investment for durable goods, both trends and forecasts.
- 3-- Office furniture shipment trends.



Table 2-ATHE OFFICE FURNITURE MARKET

(\$ MILLIONS)

	<u>Office Furniture</u>	<u>Annual % Change</u>
1958	\$ 340.2	--
1959	402.7	+ 18.4%
1960	418.6	+ 3.9
1961	406.0	- 3.0
1962	437.7	+ 7.8
1963	458.5	+ 4.8
1964	488.1	+ 6.5
1965	553.9	+ 13.5
1966	692.2	+ 25.0
1967	744.2	+ 7.5
1968	702.9	- 5.5
1969	824.6	+ 17.3
1970	797.4	- 3.3
1971	756.0	- 5.2
1972	954.2	+ 26.2
1973	1,086.1	+ 13.8
1974e	1,223.9	+ 12.7
1975p	1,222.5	- 0.1
1980p	2,000.2	+ 8.7 *
1985p	3,118.9	+ 9.3 *

\* Compound Annual Rate

SOURCE: Current Industrial Reports

Table 2-B

THE  
WOOD AND METAL OFFICE FURNITURE  
MARKETS  
(\$ MILLIONS)

	<u>Wood</u>	<u>% Total</u>	<u>Metal</u>	<u>% Total</u>
1958	\$ 69.2	20.3%	\$271.0	79.7%
1959	87.4	21.7	315.3	78.3
1960	90.5	21.6	328.1	78.4
1961	88.2	21.7	317.8	78.3
1962	93.6	21.4	344.2	78.6
1963	100.4	21.9	358.1	78.1
1964	104.5	21.4	383.6	78.6
1965	115.9	20.9	438.0	79.1
1966	129.6	18.7	545.0	81.3
1967	158.1	21.2	586.1	78.8
1968	150.5	21.4	552.4	78.6
1969	178.8	21.7	645.9	78.3
1970	188.6	23.7	608.9	76.3
1971	169.6	22.4	586.4	77.6
1972	227.4	23.8	726.8	76.2
1973	245.6	22.6	840.5	77.4
1980p	460.0	23.0	1,540.2	77.0
1985p	726.7	23.3	2,392.2	76.7

SOURCE: Current Industrial Reports

Table 2-C

10

METAL OFFICE FURNITURESALES BY MAJOR PRODUCT GROUP

(\$ MILLIONS)

	Chairs, Stools, Sofas, Couches, Settees	% Of Total Of Metal Office Furn.	Desks, Including Modular Executive Clerical & Metal Secre- tarial	% Of Total Office Furn.	Cabinets And Cases	% Of Total Metal Office Furn.	Other (Tables, Book- Cases & Modular Service Units)	% Of Total Metal Office Furniture
1956	\$55.7	--	\$88.2	--	\$114.9	--	\$48.1	--
1957	54.1	--	77.6	--	109.1	--	42.7	--
1958	56.2	20.7%	66.3	24.5%	108.9	40.2%	32.7	12.1%
1959	67.2	21.3	80.4	25.5	123.1	39.0	44.6	14.1
1960	66.9	20.4	86.9	26.5	127.0	38.7	47.2	14.4
1961	67.1	21.1	80.2	25.2	124.0	39.0	46.4	14.6
1962	70.1	20.4	89.2	25.9	140.5	40.8	44.3	12.9
1963	73.6	20.6	88.3	24.7	143.2	40.0	50.3	14.0
1964	83.2	21.7	99.4	25.9	148.5	38.7	52.6	13.7
1965	94.7	21.6	114.3	26.1	169.2	38.6	59.8	13.7
1966	127.1	23.3	143.5	26.3	197.3	36.2	77.0	14.1
1967	133.6	22.8	150.6	25.7	200.2	34.2	86.6	14.8
1968	140.0	25.3	139.8	25.3	200.9	36.4	71.6	13.0
1969	163.5	25.3	167.3	25.9	228.2	35.3	86.8	13.4
1970	146.9	24.1	135.9	22.3	236.9	38.9	89.2	14.6
1971	147.6	25.2	119.5	20.4	221.9	37.8	97.5	16.6
1972	192.9	26.5	125.9	17.3	273.1	37.6	134.9	18.6
1973	234.7	27.9	169.3	20.1	312.0	37.1	124.5	14.8
1980P	485.2	31.5	261.8	17.0	546.8	35.5	246.4	16.0

P=Projected

I=Imputed

SOURCE: Current Industrial Reports

Table 2-D

11

## METAL OFFICE FURNITURE

## SALES OF MAJOR PRODUCTS

(\$000)

	Chairs (Exc. Factory And Insti- tutional Posture And Others \$	Sofas, Couches, Settees, Stoves, Etc. \$	Noninsulated Filing Equip. (Exc. Visible)			Insulated Mechanical Filing Equip. (Exc. (Letter, Safes, Legal, Incl. Card, Etc. Security Manual Or Files & Electric Ledger Operated Trays \$			Visible Equipment (Exc. Insulated) Incl. Vertical & Rotary Units Non- Mechanical Mechanical \$ \$			Tables & Exc. Stands Desks \$ \$	
			Letter \$	Legal \$	Other* \$								
1962	67,627	2,443	54,551	23,849	20,490	8,102	11,639	10,884	6,030	23,326	4,314		
1963	70,988	1,984	54,495	22,779	17,310	8,767	11,811	12,990	7,159	30,800	3,151		
1964	82,147	1,026	59,662	25,961	21,656	8,575	11,384	11,971	9,294	31,827	4,490		
1965	93,323	1,396	68,439	27,622	24,370	9,372	11,594	17,106	10,652	33,760	7,330		
1966	123,921	3,191	78,216	31,124	28,899	13,132	12,336	22,250	11,359	41,072	9,855		
1967	129,100	3,000	86,500	28,700	24,100	12,900	13,400	21,800	10,600	35,300	14,300		
1968	131,034	9,006	77,455	33,483	33,701	12,491	12,154	20,421	11,208	33,016	12,896		
1969	153,286	10,243	90,513	35,619	39,423	16,556	10,945	21,686	13,488	35,576	16,440		
1970	138,438	8,420	85,573	34,674	38,223	30,326	12,479	22,724	12,865	34,249	22,106		
1971	139,540	8,079	78,385	34,918	38,939	20,017	17,263	20,738	11,596	31,827	21,277		
1972 1,2	181,500	14,900	96,800	38,900	33,200	18,600	15,500	31,800	27,400	31,300	17,800		
1973 2	217,000	15,700	111,100	45,100	24,600	14,200	18,300	35,800	18,300	38,600	24,700		
% Change													
1962-													
1973	+220.8%	+542.7	+103.6	+89.1	+20.1	+75.3	+57.2	+228.9	+203.5	+65.5	+472.6		

1---Census Of Manufactures.

2---Rounded To The Nearest 100.



## METAL OFFICE FURNITURE

## SHIPMENTS, IN UNITS

Table 2-E

	Chairs	Sofas, Couches, Etc.	Nonmechanical Vertical Files			Mech. Filing, Equip.	Insulated Filing Cabinets	Visible Equipment		Tables And Stands	Modular Service Units, Exc. Desks
			Letter	Legal	Other			Non- Mechanical	Mechanical		
1964	2,459,131	NA	1,331,476	390,225	1,317,181	7,372	54,793	NA	NA	749,400	56,991
1965	2,746,022	NA	1,394,589	438,122	1,165,154	9,024	55,876	NA	NA	NA	91,751
1966	3,992,157	155,860	1,545,310	457,720	1,257,979	9,939	61,271	604,673	15,330	NA	128,300
1967	3,744,800	NA	1,988,800	503,700	1,280,600	12,200	70,300	821,200	NA	1,085,900	205,700
1968	4,066,063	194,717	1,471,146	478,901	1,699,115	8,065	63,623	492,812	11,162	750,406	191,935
1969	4,637,623	120,158	1,613,060	510,357	1,889,165	12,187	57,977	589,035	23,489	870,386	228,388
1970	3,851,038	113,527	1,490,431	462,566	1,666,803	16,915	62,182	563,608	25,106	757,266	224,163
1971	3,786,189	99,808	1,385,333	440,499	1,656,405	11,307	82,203	501,902	28,222	716,133	215,003
1972(1)	4,964,800	303,900	2,078,200	734,800	NA	NA	62,600	832,400	NA	736,700	267,700
1973(1)	5,448,200	247,800	1,989,100	686,200	1,707,900	35,800	87,200	NA	23,700	597,300	302,500

(1)--Rounded To Nearest Hundred.

SOURCE: Current Industrial Report

Table 2-F

WOOD OFFICE FURNITURESALES BY MAJOR PRODUCT GROUP

(\$ MILLIONS)

	<u>Chairs</u>	% Of Total Wood Office Furniture	Sofas, Couches, Settees, Stools, Etc.	% Of Total Wood Office Furniture	Desks, (Inc. Modular Units)	% Of Total Wood Office Furniture
1956	\$25.0	--	\$4.0	--	\$27.7	--
1957	23.9	--	4.0	--	26.0	--
1958	20.7	29.9%	4.6	6.6	26.5	38.3
1959	28.9	33.1	8.7	10.0	30.0	34.3
1960	33.7	37.2	6.1	6.7	30.4	33.6
1961	32.7	37.1	5.3	6.0	30.8	34.9
1962	35.6	38.0	5.9	6.3	31.2	33.3
1963	35.3	35.2	5.1	5.1	30.7	30.6
1964	40.3	38.6	5.4	5.2	33.1	31.7
1965	43.3	37.4	6.1	5.3	37.7	32.5
1966	48.1	37.1	6.7	5.2	44.2	34.1
1967	55.7	35.2	8.4	5.3	43.9	27.8
1968	59.6	39.6	6.3	4.2	51.7	34.4
1969	64.4	36.0	11.1	6.2	63.0	35.2
1970	79.0	41.9	7.1	3.8	61.0	32.3
1971	70.7	41.7	7.0	4.1	57.4	33.8
1972	68.5	30.1	11.6	5.1	75.5	33.2
1973	85.7	34.9	11.4	4.6	87.1	35.5
1980P	170.2	37.0	18.4	4.0	170.2	37.0

THE  
WOOD AND METAL OFFICE FURNITURE  
MARKETS (CONT'D)  
(\$ MILLIONS)

	Modular Service Units (Exc. Desks)	% Of Total Wood Office Furniture	Other, Inc. Cabinets, Cases, Tables & Bookcases	% Of Total Wood Office Furniture
1956	\$ 1.9	--	\$12.1	--
1957	2.1	--	10.6	--
1958	NA	--	14.2	20.5%
1959	3.5	4.0%	16.0	18.3
1960	3.6	4.0	16.6	18.3
1961	3.4	3.9	16.1	18.3
1962	4.4	4.7	16.5	17.6
1963	6.1	6.1	17.2	17.1
1964	6.6	6.3	19.1	18.3
1965	8.4	7.2	20.4	17.6
1966	8.6	6.6	22.0	17.0
1967	10.6	6.7	27.3	17.3
1968	9.6	6.4	23.3	15.5
1969	10.6	5.9	29.7	16.6
1970	9.6	5.1	31.9	16.9
1971	8.2	4.8	26.3	15.5
1972	16.5	7.3	55.3	24.3
1973	15.1	6.1	46.3	18.9
1980p	32.2	7.0	69.0	15.0

P=Projected  
NA=Not Available

SOURCE: Current Industrial Reports

Table 2-G

15

## SHIPMENTS OF WOODEN OFFICE CHAIRS, BY TYPE

(In Units)

	Secretarial Posture				---Other Types---				Percent Of Total Chairs Shipped-----			
	Secretarial				Secretarial				Secretarial			
	Total	All Wood	Uphol-stered	Execu-tive Posture	All Wood	Uphol-stered	Uphol-stered	Execu-tive Posture	Wood	Uphol-stered	Wood	Uphol-stered
1956	743,481	5,458	21,709	27,883	488,174	200,257			.7%	2.9%		26.9%
1957	797,202	4,994	27,395	54,500	509,477	201,430			.6	3.4		25.3
1959	729,548	25,034	40,280	52,803	309,185	310,246			3.4	5.5		42.6
1960	739,406	26,791	41,688	56,450	281,987	332,490			3.6	5.6		45.1
1961	763,097	30,218	41,405	58,011	310,136	323,327			4.0	5.4		42.4
1962	726,324	3,676	48,969	64,720	269,724	339,235			.5	6.7		46.8
1964	931,120	3,946	60,705	90,974	300,304	475,191			.4	6.5		51.0
1965	1,010,691	4,390	58,438	93,411	319,926	534,526			.4	5.8		52.0
1966	1,121,697	4,367	62,664	99,726	351,340	603,600			.4	5.6		54.2
1967	1,350,400				Not Available							
1968	1,190,342	11,468	85,656	127,683	349,344	616,191			1.0	7.2		51.8
1969	1,231,878	1,615	90,023	136,955	304,468	698,817			.1	7.3		56.7
1970	1,263,392	997	165,070	160,429	287,008	649,888			.1	13.1		51.4
1971	1,159,414	1,252	150,145	141,551	259,162	607,304			.1	13.0		52.3
1972	1,107,000				Not Available							
1973	898,700	700	141,000	117,800	159,700	479,500			0.1	15.7		53.4
										13.1		17.8



## SHIPMENTS OF WOODEN DESKS BY TYPE

Table 2-H

(INCLUDING MODULAR)

(IN UNITS)

	Total Quantity Reported (Inc. Modular Desks)	Executive Type	% Of Total Desks Shipped	Total Clerical And Secre- tarial	With Type- writer Mechanism	% Of Total Clerical And Secre- tarial Desks	All Other Clerical And Secre- tarial
1956	256,264	66,030	25.8%	190,234	51,873	27.3%	138,361
1957	247,679	63,231	25.5	184,448	47,459	25.7	136,989
1958	NA	92,404	--	NA	NA	--	NA
1959	228,823	76,716	33.5	152,107	39,370	25.9	112,737
1960	222,894	81,893	36.7	141,001	35,365	25.1	105,636
1961	231,452	87,242	37.7	144,210	39,682	27.5	104,528
1962	264,994	106,812	40.3	158,182	38,533	24.4	119,649
1963	267,358	111,286	41.6	156,072	NA	--	NA
1964	281,604	122,385	43.5	159,219	28,659	18.0	130,560
1965	301,877	121,207	40.2	180,670	36,750	20.3	143,920
1966	351,578	168,987	50.0	182,591	36,486	20.1	146,105
1967	312,000	136,900	43.9	175,100	NA	--	NA
1968	391,770	197,658	50.5	194,112	36,993	19.1	157,119
1969	456,237	236,148	51.8	220,089	43,221	19.6	176,868
1970	402,017	217,573	54.1	184,444	36,091	19.6	148,353
1971	371,405	207,372	55.8	164,033	34,562	21.1	129,471
1972 1	418,500	217,300	51.9	201,200	NA	--	NA
1973 1	538,000	309,800	86.5	228,200	47,900	21.0	180,300

1---Rounded to the nearest 100.

SOURCE: Current Industrial Reports

## SHIPMENTS OF OTHER TYPES OF WOODEN OFFICE FURNITURE

Table 2-I

(IN UNITS)

	Tables		Telephone		Credenzas		Bookcases		Modular		Sofas, Couches, Settees, Stools, Etc.
	Over 60"	60"	Except Telephone Tables	Tables & Cabinets					Service Units (Exc. Desks		
1956	16,716	63,187		41,199	7,219	46,009	NA	NA	NA	NA	
1957	12,367	51,154		37,436	6,959	44,791	NA	NA	NA	NA	
1959	18,478	76,294		47,132	9,427	51,274	89,610	89,610	NA	NA	
1960	19,316	57,627		38,092	10,004	57,094	84,518	84,518	NA	NA	
1961	19,883	63,268		38,721	9,657	63,593	63,243	63,243	36,142	36,142	
1962	20,816	73,638		38,474	11,932	69,125	87,129	87,129	39,812	39,812	
1964	31,726	74,065		33,141	13,665	58,363	126,846	126,846	49,021	49,021	
1965	38,620	96,255		40,017	21,465	81,458	153,373	153,373	43,165	43,165	
1966	35,368	101,806		39,821	23,580	89,543	155,144	155,144	45,200	45,200	
1968	40,637	89,955		29,664	27,174	63,947	170,861	170,861	39,743	39,743	
1969	41,031	105,983		31,719	37,849	58,351	195,438	195,438	69,044	69,044	
1970	44,952	77,124		30,665	37,037	52,579	161,295	161,295	45,645	45,645	
1971	41,179	90,726		20,917	29,346	48,348	139,606	139,606	45,740	45,740	
1972	NA	NA		NA	NA	NA	NA	NA	NA	NA	
1973 1	46,700	110,900		23,800	30,300	57,600	231,700	231,700	65,800	65,800	

1--Rounded to nearest 100.

SOURCE: Current Industrial Reports

Table 2-J

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## SHARE OF UNITS

## WOOD VS. METAL

(UNITS IN THOUSANDS)

	-----Chairs-----			-----Desks-----			-----Sofas, Couches, Etc.-----			Modular Service Units (Exc. Desks)		
	Percent Of Total		Total Units	Percent Of Total		Total Units	Percent Of Total		Total Units	Percent Of Total		Total Units
	Metal	Wood		Metal	Wood		Metal	Wood		Metal	Wood	
1964	73%	27%	3,390	76%	24%	1,175	-----Not Available-----		184	31%	69%	184
1965	73	27	3,757	79	21	1,410	"		245	38	62	245
1966	78	22	5,114	81	19	1,851	78%	22%	283	45	55	283
1967	74	26	5,095	82	18	1,693	-----Not Available-----		361	57	43	361
1968	77	23	5,256	77	23	1,700	83	17	363	53	47	363
1969	79	21	5,870	77	23	1,967	63	37	424	54	46	424
1970	75	25	5,114	74	26	1,570	71	29	385	58	42	385
1971	77	23	4,946	74	26	1,449	68	32	355	61	39	355
1972	82	18	6,072	76	24	1,715	-----Not Available-----		429	62	38	429
1973	86	14	6,347	83	17	1,773.7	79	21	442	68	32	442

SOURCE: Current Industrial Reports

### SECTION III

#### ECONOMIC STRUCTURE OF THE OFFICE FURNITURE INDUSTRY

Production costs, specifically material costs, will be much higher in 1975, than they were in 1972. Factors associated with the increase are:

- 1-- Rising material prices in the last two years.
- 2-- A drop in demand which will cause lower and less efficient production levels.

Capital expenditures dropped during the 1968 to 1972 period, when the industry was faced with sluggish demand. Capital expenditure programs for 1975 should be aimed at improving productivity rather than capacity. However, with strong growth forecasted over the next decade, plans should be made to invest heavily in the area of capacity expansion.

Diversification is taking place in both the metal, and wood sectors of the market (Tables 3-D, 3-E).

#### Tables

- 3-A, 3-B----Shows general statistics for the wood and metal office furniture industry (operating ratios are derived from these statistics).
- 3-C-----Gives the industries average payroll and material costs which should be used as a benchmark in comparing individual company costs. Sales per employee is an indication of productivity.
- 3-D, 3-E----Shows the diversification taking place in the industry.
- 3-F-----Where capital expenditures are being spent.
- 3-G-----A useful benchmark as to how heavily the industry is investing. U. S. figures are included for comparative reasons.
- 3-H-----Gives inventory breakdown through 1972. Individual company figures should be in line with these figures.
- 3-I-----Rental payments relative to total machinery and equipment spending.
- 3-J-----Costs of production by specific product, 1958-1972.



Table 3-A

## METAL OFFICE FURNITURE INDUSTRY

## STRUCTURAL TRENDS

(DOLLARS IN MILLIONS)

	Total # Of Plants	Total Employ- ment (000)	Total Payrolls	-----Production Worker-----		Cost Of Materials	Sales *
				Number (000)	Man- Hours (000,000)	Wages	
1939	63	--	--	7.2	--	\$ 9.3	\$ 38.5
1947	102	14.3	\$ 41.4	11.8	--	32.1	125.7
1949	--	13.2	45.1	10.9	--	33.8	132.6
1950	--	14.6	50.3	11.5	--	36.3	152.4
1951	--	17.0	64.6	13.8	--	48.7	215.5
1952	--	18.6	75.8	15.6	--	58.2	238.9
1953	--	18.2	75.9	14.8	--	58.2	215.5
1954	129	16.1	66.0	13.4	26.8	51.5	211.5
1955	--	18.0	80.5	14.9	30.9	62.1	256.1
1956	--	20.5	98.4	17.0	36.3	79.1	322.0
1957	--	20.0	96.7	16.4	31.9	72.1	315.8
1958	151	17.5	86.0	13.9	26.9	62.7	286.0
1959	--	17.7	92.0	14.2	28.0	67.2	322.7
1960	--	18.5	97.3	14.9	29.7	71.8	343.4
1961	--	17.4	92.0	13.8	27.4	67.2	329.3
1962	--	18.8	101.6	15.0	29.1	74.5	362.1
1963	170	19.9	112.1	15.8	31.5	81.4	390.0
1964	--	20.3	119.4	15.8	32.0	84.8	436.7
1965	--	21.7	134.3	17.1	35.9	93.6	493.8
1966	--	25.8	166.4	20.5	43.0	118.7	596.0
1967	187	27.0	178.5	21.1	42.9	125.3	622.9
1968	--	27.1	186.3	20.9	42.7	128.3	654.2
1969	--	30.5	219.4	23.1	46.5	151.7	764.5
1970	--	27.6	205.6	20.4	42.4	136.3	682.1
1971	--	25.0	201.8	18.1	37.5	134.2	682.5
1972	190	27.5	247.3	20.5	42.5	166.0	851.0

\* Primary products, secondary products &amp; misc. receipts.

SOURCE: Dept. Of Commerce, Census Of Mfrs. &amp; Annual Survey Of Mfrs.

Table 3-B

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## WOOD OFFICE FURNITURE-INDUSTRY STRUCTURAL TRENDS

(DOLLARS IN MILLIONS)

	# Of Plants	Total Employ- ment (000)	Total Payroll	Production Workers		Wages	Cost Of Materials (\$000)	Sales*
				Number (000)	Man- Hours (000,000)			
1939	64	--	--	4.0	--	\$3.6	\$5.9	\$13.3
1947	114	6.5	\$16.8	5.8	--	13.7	21.6	47.5
1949	--	4.7	13.8	4.2	--	10.5	15.6	35.5
1950	--	4.9	15.6	4.2	--	12.5	21.1	42.6
1951	--	5.5	19.5	4.9	--	15.9	27.7	59.9
1952	--	4.9	17.7	4.3	--	13.9	22.4	49.9
1953	--	4.5	15.7	4.0	--	12.1	17.9	40.0
1954	112	5.5	18.8	4.8	9.7	14.6	25.4	54.4
1955	--	5.9	21.2	5.1	10.9	16.6	26.9	59.5
1956	--	6.1	23.9	5.3	11.5	18.8	31.2	68.7
1957	--	5.7	21.8	4.9	10.1	16.7	26.3	61.5
1958	150	5.8	23.5	5.0	10.0	17.6	29.6	68.4
1959	--	6.1	26.0	5.3	10.9	20.2	33.7	76.2
1960	--	6.1	26.5	5.2	10.9	20.4	35.4	78.2
1961	--	5.9	27.1	5.0	10.6	20.5	35.7	80.5
1962	--	6.3	29.6	5.4	11.6	23.0	37.6	85.2
1963	138	6.5	30.6	5.6	11.8	23.7	45.3	101.5
1964	--	6.7	32.8	5.7	11.9	25.5	51.2	109.3
1965	--	7.5	38.3	6.3	13.1	28.8	55.2	122.9
1966	--	7.8	42.6	6.6	13.5	31.5	62.6	136.4
1967	178	8.2	46.4	6.9	14.3	35.6	71.7	158.3
1968	--	8.3	51.9	7.0	15.1	38.8	81.1	173.9
1969	--	9.5	60.4	7.9	16.6	45.2	86.5	212.7
1970	--	9.6	59.2	8.2	16.4	44.5	78.8	197.8
1971	--	8.7	56.4	7.3	14.2	42.2	76.4	174.8
1972	235	11.4	78.7	9.6	19.1	58.8	104.8	248.1

\* Reflect primary products, secondary products & misc. receipts.

Table 3-C

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OFFICE FURNITUREFINANCIAL & OPERATING RATIOS

	Cost Of			Payroll Costs As A % Sales			Material And Payroll		
	Materials As A % Of Sales			Costs As A % Sales			Costs As A % Of Sales		
	All	Metal	Wood	All	Metal	Wood	All	Metal	Wood
	Indus-tries	Furni- ture	Furni- ture	Indus-tries	Furni- ture	Furni- ture	Indus-tries	Furni- ture	Furni- ture
1958	NA	38.4%	43.2%	23%	30.1%	34.4	NA	68.5%	77.6%
1959	NA	37.9	44.2	22	28.5	34.1	NA	66.4	78.3
1960	NA	40.1	45.3	23	28.3	33.9	NA	68.4	79.2
1961	NA	39.5	44.3	NA	27.9	33.7	NA	68.4	78.0
1962	NA	42.2	44.1	NA	28.1	34.7	NA	70.3	78.8
1963	55%	41.1	44.6	23	28.7	30.1	78%	69.8%	74.7%
1964	55	42.1	46.8	24	27.3	29.9	79	69.4	76.7
1965	55	40.4	44.9	23	27.2	31.2	78	67.6	76.1
1966	55	41.2	45.9	23	27.9	31.2	78	69.1	77.1
1967	54	38.4	45.3	23	28.7	29.3	77	67.1	74.6
1968	53	40.1	46.6	24	28.5	29.8	77	68.6	76.4
1969	53	39.8	40.7	24	28.7	28.4	77	68.5	69.1
1970	53	37.3	39.8	24	30.1	29.9	77	67.4	69.7
1971	53	38.6	43.7	23	29.6	32.3	76	68.2	76.0
1972	54	41.0	42.2	23	29.1	31.7	77	70.1	73.9
1975e	55	44.0	45.0	24	29.5	31.5	79	73.5	76.5

Table 3-COFFICE FURNITUREFINANCIAL & OPERATING RATIOS (CONT'D)

	<u>Average Hourly Earnings</u>			<u>Sales Per Employee</u>		
	<u>All</u> <u>Indus-</u> <u>tries</u>	<u>Metal</u> <u>Furni-</u> <u>ture</u>	<u>Wood</u> <u>Furni-</u> <u>ture</u>	<u>All</u> <u>Indus-</u> <u>tries</u>	<u>Metal</u> <u>Furni-</u> <u>ture</u> (\$000)	<u>Wood</u> <u>Furni-</u> <u>ture</u>
1958	\$2.19	\$2.33	\$1.76	\$21.3	\$16.4	\$11.7
1959	2.24	2.40	1.85	22.6	18.2	12.5
1960	2.30	2.42	1.87	22.9	18.6	12.8
1961	2.35	2.45	1.93	NA	18.9	13.6
1962	2.44	2.56	1.98	NA	19.3	13.5
1963	2.53	2.58	2.01	24.8	19.6	15.6
1964	2.61	2.65	2.14	25.9	21.5	16.3
1965	2.69	2.60	2.20	27.3	22.8	16.4
1966	2.78	2.76	2.34	28.2	23.1	17.5
1967	2.92	2.92	2.49	28.8	23.1	19.3
1968	3.11	3.00	2.57	30.9	24.1	21.0
1969	3.27	3.26	2.72	32.1	25.1	22.4
1970	3.43	3.22	2.71	33.0	24.7	20.5
1971	3.68	3.58	2.97	36.5	27.3	20.1
1972	3.95	3.91	3.08	40.0	30.9	21.8

SOURCE: Census Of Manufactures

Table 3-D

METAL OFFICE FURNITURE  
INDUSTRY PRODUCT ANALYSIS

(\$ MILLIONS)

	<u>1958</u>	<u>1963</u>	<u>1967</u>	<u>1972</u>
<u>Industry Shipments--Total</u>	\$286.0	\$390.0	\$622.9	\$851.0
Primary Products	236.4	317.8	517.6	686.0
Secondary Products	32.8	47.0	65.8	54.4
Misc. Receipts	16.8	25.2	39.6	110.6
Primary Products As A % Of Total Products	88%	87%	89%	81%
<u>Primary Products Shipments, Total</u>	273.3	358.1	586.1	770.8
Made By Plants In This Industry	236.4	317.8	517.6	686.0
Made By Plants In Other Industries	36.9	40.3	68.5	84.8
% Of Primary Products Made By Plants In This Industry	86%	89%	88%	89%

SOURCE: Census Of Manufactures &  
Annual Survey Of Manufactures



Table 3-E

WOOD OFFICE FURNITURE  
INDUSTRY PRODUCT ANALYSIS  
(\$ MILLIONS)

	<u>1958</u>	<u>1963</u>	<u>1967</u>	<u>1972</u>
<u>Industry Shipments Total</u>	\$68.4	\$101.5	\$158.3	\$248.1
Primary Products	58.1	87.5	136.0	212.7
Secondary Products	7.0	9.7	16.8	8.1
Misc. Receipts	3.3	4.4	5.6	27.3
Primary Products As A % Of Total Manufactured Prod.	89%	89%	89%	86%
<u>Primary Products Shipments Total</u>	70.7	100.4	158.1	253.2
Made By Plants In This Industry	58.1	87.5	136.0	212.7
Made By Plants In Other Industries	12.6	12.9	22.1	40.5
% Primary Products Made By Plants In This Industry	82%	87%	86%	84%

SOURCE: Census Of Manufactures,  
Annual Survey Of Manufactures

Table 3-F

NEW CAPITAL EXPENDITURES

(\$ MILLIONS)

	<u>Metal Office Furniture</u>			<u>Wood Office Furniture</u>		
		New Plant As A % Of Total	New Machinery And Equip. As A % Of Total		New Plant As A % Of Total	New Machinery And Equip. As A % Of Total
	<u>Total</u>			<u>Total</u>		
1947	\$ 4.2	-----NA-----		\$ 1.5	46.7%	53.3%
1954	4.7	34.0%	66.0%	0.6	-----NA-----	
1958	5.3	26.4	74.6	0.8	37.5	62.5
1963	14.2	50.7	49.3	1.5	60.0	40.0
1964	8.9	29.2	70.8	1.3	46.2	53.8
1965	11.7	53.0	47.0	2.2	40.9	59.1
1966	19.6	40.3	59.7	3.5	37.1	62.9
1967	31.5	50.5	49.5	5.7	49.1	50.9
1968	32.6	50.6	49.4	3.5	34.3	65.7
1969	20.3	40.4	59.6	3.7	51.4	48.6
1970	14.2	26.8	73.2	3.3	21.2	78.8
1971	14.2	38.0	62.0	3.1	48.4	51.6
1972	24.5	45.7	54.3	7.3	64.4	35.6

SOURCE: Census &amp; Annual Survey

Table 3-GCAPITAL EXPENDITURESVALUE ADDED RATIO

	<u>U. S. Industry Average</u>	<u>Metal Office Furniture</u>	<u>Wood Office Furniture</u>
1958	6.7%	3.1%	2.1%
1959	5.7	2.8	2.1
1960	6.2	4.7	1.4
1961	6.0	3.1	3.8
1962	5.8	4.9	6.6
1963	5.9	6.2	2.6
1964	6.4	3.5	2.2
1965	7.3	4.0	3.2
1966	8.1	5.5	4.7
1967	8.2	8.1	6.4
1968	7.2	8.2	3.7
1969	7.3	4.2	2.9
1970	7.4	3.3	2.8
1971	6.7	3.4	3.1
1972	6.9	4.8	5.2
<u>Averages</u>			
1958-1962	6.1%	3.7%	3.2%
1963-1967	7.2	5.5	3.8
1968-1972	7.1	4.8	3.5

Table 3-H

## YEAR-END INVENTORIES

(MILLIONS OF DOLLARS)

	Total	Finished Products	% Total	Work-In- Process	% Total	Materials And Supplies	% Total
Metal Office Furniture							
1947	\$ 23.2	\$ 5.9	25.6%	-----	-----	\$17.3	-----
1954	37.0	11.9	32.3	\$10.2	27.5%	\$14.9	40.3%
1958	52.1	15.6	29.7	14.9	28.6	21.6	41.7
1963	67.2	17.0	25.3	21.3	31.7	28.9	43.0
1964	69.6	14.6	21.0	23.4	33.6	31.6	45.4
1965	77.0	12.8	16.6	26.6	34.6	37.5	48.8
1966	90.8	16.7	18.4	31.8	35.1	42.3	46.5
1967	95.8	18.5	19.3	34.4	35.9	42.9	44.8
1968	107.3	20.9	19.5	39.6	36.9	46.8	43.6
1969	131.9	30.3	23.0	44.8	34.0	56.8	43.0
1970	115.7	23.4	20.2	40.0	34.6	52.3	45.2
1971	128.7	23.9	18.6	43.2	33.6	61.6	47.9
1972	143.0	25.9	18.1	46.3	32.4	70.8	49.5
Wood Office Furniture							
1954	9.7	2.8	29.3%	2.7	27.6%	4.2	43.1%
1958	11.4	2.8	24.6	3.7	32.2	4.9	43.2
1963	17.1	4.6	26.7	5.7	33.3	6.8	40.0
1964	18.8	4.8	25.8	6.6	35.0	7.4	39.2
1965	19.5	4.9	25.1	6.4	32.6	8.3	42.3
1966	21.7	4.7	21.5	7.0	32.4	10.0	46.1
1967	27.0	6.2	23.0	8.9	33.0	11.9	44.0
1968	29.9	6.2	20.8	10.3	34.4	13.4	44.8
1969	37.6	7.9	21.0	12.2	32.4	17.5	46.6
1970	40.1	9.0	22.4	13.7	34.1	17.5	43.6
1971	37.9	7.4	19.5	15.2	40.1	15.3	40.4
1972	50.1	10.1	20.2	18.6	37.1	21.4	42.7

SOURCE: Census And Annual Survey

Table 3-IRENTALS OF MACHINERY AND EQUIPMENT

(\$ MILLIONS)

	<u>1969</u>	<u>1970</u>	<u>1971</u>
<u>All Industries</u>			
Total Machinery And Equipment Spending	\$18,419.0	\$18,453.0	\$17,808.0
Rental Payments As A % Of Total	10.5%	11.1%	14.2%
<u>Metal Office Furniture</u>			
Total Machinery And Equipment Spending	\$13.7	\$12.0	\$10.7
Rental Payments As A % Of Total	11.7%	13.3%	17.8%
<u>Wood Office Furniture</u>			
Total Machinery And Equipment Spending	\$ 1.8	\$ 2.9	\$ 1.7
Rental Payments As A % Of Total	(Z)	10.3%	5.9%

(Z)---Rental payments were not reported, because  
they amounted to less than \$50,000.

SOURCE: Census & Annual Survey



Table 3-J

30

## METAL OFFICE FURNITURE

## OPERATING RATIOS BY PRODUCT SPECIALIZATION

	-----Chairs, Sofas, Etc.-----				-----Desks-----			
	<u>1958</u>	<u>1963</u>	<u>1967</u>	<u>1972</u>	<u>1958</u>	<u>1963</u>	<u>1967</u>	<u>1972</u>
Number Of Plants	30	41	33	30	18	21	24	14
Total Shipments (\$ Millions)	\$40.8	\$96.4	\$136.0	\$291.0	\$111.1	\$122.8	\$231.7	\$182.8
New Capital Expenditures (\$ Millions)	*	5.6	6.9	4.9	2.0	6.2	5.3	2.2
Payroll As A % Of Sales	24.0%	25.6%	24.9%	28.3%	31.1%	28.8%	29.3%	27.8%
Material Costs As A % Of Sales	37.5	41.5	46.0	41.1	40.4	47.0	36.8	48.6
Payroll & Material Costs As A % Of Sales	61.5	67.1	70.9	69.4	71.5	75.8	66.1	76.4
Average Hourly Earnings Per Production Worker	\$ 2.06	\$ 2.49	\$ 2.63	\$ 4.40	\$ 2.50	\$ 2.83	\$ 3.37	\$ 3.92
Average Sales Per Employee (\$000)	17.7	21.9	24.7	35.1	17.1	21.2	25.7	33.2

Continued

## METAL OFFICE FURNITURE (CONT'D)

Table 3-J

## OPERATING RATIOS BY PRODUCT SPECIALIZATION

	-----Cabinets And Cases-----				-----Tables And Stands, Etc.-----			
	1958	1963	1967	1972	1958	1963	1967	1972
Number Of Plants	57	55	43	48	20	30	28	27
Total Shipments (\$ Millions)	\$115.1	\$141.1	\$189.5	\$268.3	\$12.2	\$26.2	\$51.5	\$60.7
New Capital Expense (\$ Millions)	2.2	1.6	4.5	4.4	*	0.7	2.8	4.0
Payroll As A % Sales	30.3%	30.8%	30.1%	31.5%	32.8%	29.0%	31.1%	30.8%
Materials As A % Sales	34.5	36.9	34.2	35.1	40.2	33.2	41.0	37.7
Payroll & Materials Costs As A % Of Sales	64.8	67.7	64.3	66.6	73.0	62.2	72.1	68.5
Average Hourly Earnings Per Production Workers	\$ 2.32	\$ 2.53	\$ 2.80	\$ 3.83	\$ 2.00	\$ 2.32	\$ 2.45	\$ 3.00
Averages Sales Per Employee (\$000)	15.8	17.6	21.1	27.4	15.3	17.5	19.1	24.3

\* Less than 500,000.

SOURCE: Census Of Manufactures

# SECTION IV

## INDUSTRY FINANCIAL ANALYSIS

Profit margins have improved in recent years, a reflection of stronger growth. Estimates based on company performance show profit margins holding for 1974. However, increased costs, and sluggish demand will probably cause margins to slip somewhat in 1975. Listed below, are profit margin trends from different sources, and how they move with the growth in shipments of office furniture.

	Market Growth (Table 2-A)	Robert Morris, Profit Before Taxes (4-A)	I.R.S. Profit After Taxes 1 (4-C)	Morton Composite Of 12 Companies Profit After Taxes (13-A)
1969	+ 17.0	--	--	4.3%
1970	- 3.3	6.4%	3.4%	2.6
1971	- 5.2	4.3	2.5	2.4
1972	+ 26.2	6.6	8.2	2.7
1973	+ 13.8	7.7	8.8	2.9
1974	+ 12.7	--	--	2.8
1975	- 0.1	--	--	2.4e

Actual figures will differ because of different coverage by sources. Important is the general movements of the figures. 1975 should be a year of tight control and production and employment cutbacks.

### Tables

(4-A, 4-B)--Financial ratios of manufacturing of office furniture compiled by Robert Morris Assoc.

4-C                      Analysis of tax returns of office furniture manufacturers, compiled by the Internal Revenue Service.

Table 4-A

FINANCIAL STATEMENT RATIOSMANUFACTURERS OF METAL OFFICE FURNITURE

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
Number Of Statements	22	19	29	30
Total Assets (\$000)	\$93,656	\$54,788	\$163,106	\$96,957
<u>% Of Assets:</u>				
Cash	4.5%	10.2%	4.0%	4.1%
Marketable Securities	5.6	.9	1.8	0.4
Receivables Net	25.8	20.7	22.9	24.4
Total Current	64.5	58.6	59.7	63.6
Fixed Assets Net	32.1	37.7	33.9	32.7
Net Sales (\$000)	\$145,408	\$82,951	\$267,455	\$178,911
<u>% Of Sales:</u>				
Cost Of Sales	69.7%	74.5%	73.3%	69.5%
Gross Profit	30.3	25.5	26.7	30.5
Profit Before Taxes	6.4	4.3	6.6	7.7
<u>Ratios:</u>				
Quick	1.1	1.0	1.0	0.9
Current	2.0	1.8	1.8	1.8
Fixed/Worth	.5	.5	.4	0.6
Debt/Worth	.9	1.0	1.2	1.6
Unsub. Debt/Capital Funds	.8	.9	1.1	1.2
Sales/Receivables	7.2	7.2	7.7	7.0
Cost Sales/Inventory	4.5	4.2	4.1	4.1
Sales/Working Capital	5.1	5.4	6.0	5.4
Sales/Worth	3.2	3.3	3.8	4.1
% Profit Before Taxes/Worth	10.2	4.8	14.2	18.5
% Profit Before Taxes/Total Assets	5.5	2.8	5.6	7.0

SOURCE: Robert Morris Associates

Table 4-BOPERATING RATIOS BY ASSET SIZE

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
<u>Cost Of Sales As A % Sales</u>				
All Sizes	69.7%	74.5%	73.3%	69.5%
Under \$250,000 Assets	--	--	--	--
\$250,000-\$1,000,000	75.9	72.2	75.5	76.3
\$1,000,000-\$10,000,000	--	--	79.0	70.6
<u>Gross Profit</u>				
All Sizes	30.3%	25.5%	26.7%	30.5%
Under \$250,000	--	--	--	--
\$250,000-\$1,000,000	24.1	27.8	24.5	23.7
\$1,000,000-\$10,000,000	--	--	21.0	29.4
<u>All Other Expenses As % Of Sales</u>				
All Sizes	23.9%	21.2%	20.1%	22.8%
Under \$250,000	--	--	--	--
\$250,000-\$1,000,000	19.1	25.6	24.1	20.5
\$1,000,000-\$10,000,000	--	--	16.9	24.7
<u>Profit Before Taxes</u>				
All Sizes	6.4%	4.3%	6.6%	7.7%
Under \$250,000	--	--	--	--
\$250,000-\$1,000,000	5.0	2.2	0.5	3.2
\$1,000,000-\$10,000,000	--	--	4.1	4.7

SOURCE: Robert Morris Assoc.



Table 4-C

CORPORATE INCOME TAX RETURNSMANUFACTURERS OF FURNITURE & FIXTURES EXCEPT, HOUSEHOLD

	-----Year Ending-----				
	<u>6/64</u>	<u>6/69</u>	<u>6/70</u>	<u>6/71</u>	<u>6/72</u>
Number Of Returns	2,121	2,405	2,083	2,260	2,809
<u>Total Assets (\$ Millions)</u>	\$1,138	\$1,271	\$1,650	\$1,545	\$1,492
<u>% Of Assets</u>					
Cash	10.5%	8.5%	6.4%	6.1%	6.0%
Net Receivables	26.9	28.9	27.6	26.5	26.4
Inventories	25.5	26.8	30.4	27.7	29.8
Government Investments	3.0	1.7	1.0	1.3	1.4
Net Depreciable Assets	20.7	23.1	19.9	17.1	20.8
<u>Total Business Receipts (Millions \$)</u>	\$1,943	\$2,124	\$2,833	\$2,489	\$2,611
<u>% Of Receipts</u>					
Cost Of Sales & Operation	72.3%	69.5%	70.4%	71.7%	70.4%
Compensation Of Officers	3.0	3.5	2.8	3.0	3.3
Repairs	0.6	0.4	0.5	0.5	0.5
Bad Debts	0.3	0.2	0.2	0.3	0.3
Rent On Business Property	1.2	1.2	1.3	1.3	1.5
Contributions Or Gifts	0.1	0.1	0.1	0.1	*
Advertising	0.9	0.8	0.8	0.8	0.9
Pension Profit Sharing Annuity & Other Benefit Plans	1.0	1.3	1.3	0.6	0.7
Net Income After Taxes As A % Of					
Total Assets	2.8%	5.7%	4.3%	5.1%	5.0%
Business Receipts	1.6	3.4	2.5	8.2	8.8

\*---Less than .05%

SOURCE: Internal Revenue Service

SECTION V, VICONCENTRATION & PRICES

Concentration has increased in the wood office furniture industry. The top 4 companies accounted for 34% in 1970 vs. 21% in 1947. The top 8 companies accounted for 52% in 1970 vs. 34% in 1947.

The reverse is true in the metal office furniture industry. The top 4 companies accounted for 50% of sales in 1947, but only 41% by 1970. The top eight companies share of market decreased from 66% to 55% during that same time period.

Despite these trends, metal office furniture prices remain stronger than wood.

In 1974, wood office furniture prices dropped below the U. S. industrial commodity average for the first time, while metal office furniture kept pace.

Desks, both metal and wood have had the strongest prices in recent years, while office chair prices have lagged behind.

Tables

5-A-----Wholesale price trends for wood and metal commercial furniture. All industrial commodities prices are included for comparison.

5-B-----Shows the whole sale price trends for individual products.

5-C-----Computed by dividing dollar shipments by unit shipments, this table shows the average unit value of selected office furniture products from 1959 to 1973.

6-A, 6-B--Show the number of plants by size of employment.

6-C-----Shows the sales by employment size of company.

6-D-----Shows the percent of shipments accounted for by the 4, 8, 20 and 50 largest companies, from 1947-1970.

6-E-----Same as above but for specific products.

Table 5-AWHOLESALE PRICE TRENDS

(1967=100)

COMMERCIAL FURNITURE

	<u>All</u> <u>Industrial</u> <u>Commodities</u>	<u>Total</u> <u>Commercial</u> <u>Furniture</u>	<u>Wood</u>	<u>Metal</u>
1947	70.8	55.5	55.7	56.1
1954	85.0	74.3	75.0	74.9
1958	93.6	90.7	82.1	94.9
1959	95.3	91.1	82.7	95.2
1960	95.3	92.0	85.7	95.2
1961	94.8	91.6	86.3	94.4
1962	94.8	92.1	86.7	94.8
1963	94.7	92.4	87.5	95.2
1964	95.2	92.9	88.0	95.5
1965	96.4	93.3	89.2	95.5
1966	98.5	95.1	93.0	96.3
1967	100.0	100.0	100.0	100.0
1968	102.5	103.9	103.5	104.0
1969	106.0	108.0	108.4	107.6
1970	110.0	114.4	113.5	115.0
1971	114.0	118.1	117.0	118.9
1972	117.9	120.2	119.7	120.5
1973	125.9	129.4	125.9	132.2
1974e	152.7	148.8	144.0	152.6

Table 5-B WHOLESALE PRICE TRENDS--SPECIFIC PRODUCTS

(1967=100)

	<u>Wood</u>			<u>Metal</u>		
	<u>Office Chair</u>		<u>Office Desk</u>	<u>Clerical Desk</u>	<u>Office Chair</u>	<u>Filing Cabinet</u>
	<u>Side</u>	<u>Swivel</u>	<u>General Purpose</u>	<u>Executive</u>		
1962	91.6	87.7	84.6	81.4	NA	93.5
1963	92.1	88.3	84.6	83.5	NA	93.9
1967	100.0	100.0	100.0	100.0	100.0	100.0
1968	103.4	103.3	103.7	104.1	105.8	103.7
1969	106.2	107.9	110.5	109.7	109.0	107.4
1970	112.3	112.0	117.2	115.2	115.5	113.3
1971	116.4	114.5	123.4	116.8	119.2	117.2
1972	119.2	116.5	127.3	119.9	120.4	119.2
1973	125.2	122.8	134.1	125.4	133.8	130.3
1974e	140.4	141.5	153.1	144.6	153.6	152.8

Table 5-C

## OFFICE FURNITURE

## AVERAGE VALUE PER UNIT-SELECTED PRODUCTS

	1959	1965	1966	1967	1968	1969	1970	1971	1972	1973
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Wood										
Chairs	37	43	43	41	50	52	63	61	62	56
Desks-Total	131	117	126	141	132	138	152	154	180	243
Executive	NA	164	150	180	157	159	176	181	205	186
Clerical & Secretarial										
With Typewriter Mechanism	NA)	99)	103)	110)	99	101	107	102)	154)	104
Other	NA)	)	)	)	108	119	127	127)	)	135
Sofas, Couches, Etc.	NA	140	148	166	159	161	157	152	150	173
Modular Service Units	39	55	55	68	56	54	59	59	65	67
Metal										
Chairs	30	34	31	34	32	33	36	27	34	41
Desks	NA	103	96	109	107	111	116	111	103	116
Sofa, Couches, Etc.	NA	NA	20	NA	46	85	74	81	49	63
Modular Service Units	NA	80	77	70	67	72	99	99	66	82
Nonmechanical vertical files										
Letter	NA	49	51	43	53	56	57	57	47	56
Legal	NA	63	68	57	70	70	75	79	53	66
Other	NA	21	23	19	20	21	23	24	NA	14
Mechanical filing equip.	NA	1,039	1,321	1,057	1,549	1,358	1,793	1,770	NA	397
Insulated filing cabinets	225	207	201	191	191	189	201	210	185	210
Visible Equipment										
Nonmechanical	NA	NA	37	27	41	37	40	41	38	NA
Mechanical	NA	NA	741	NA	1,004	574	512	411	NA	772
Tables & Stands	NA	NA	NA	33	44	41	45	44	NA	NA

SOURCE: Calculated by Morton Research Corp.  
based on Current Industrial Reports.



Table 6-ANUMBER OF PLANTS, BY SIZE OF EMPLOYMENTMETAL OFFICE FURNITURE

	<u>1959</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
<u>U. S. Total</u>	150	192	191	181	178
<u>Employee-Size Class</u>					
1-3 Employees	24	19	20	21	17
4-7 Employees	11	18	22	12	12
8-19 Employees	24	33	32	31	31
20-49 Employees	31	30	32	32	28
50-99 Employees	24	32	36	27	28
100-249 Employees	18	29	26	34	36
250-499 Employees	7	20	11	14	13
500 or More Employees	11	11	12	10	13
<u>As A % Of Total</u>					
1-49 Employees	60.0%	52.1%	55.5%	53.0%	49.4%
50 or More Employees	40.0	47.9	44.5	47.0	50.6

SOURCE: County Business Patterns

Table 6-BNUMBER OF PLANTS BY SIZE OF EMPLOYMENTWOOD OFFICE FURNITURE

	<u>1959</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
<u>U. S. Total</u>	132	165	160	169	173
<u>Employee-Size Class</u>					
1-3 Employees	33	21	25	24	19
4-7 Employees	17	22	17	19	25
8-19 Employees	28	40	42	39	34
20-49 Employees	26	41	36	43	43
50-99 Employees	9	16	17	21	23
100-249 Employees	12	17	15	13	19
250-499 Employees	7	5	6	7	6
500 or More Employees	--	3	2	3	4
<u>As A % Of Total</u>					
1-49 Employees	78.8%	75.2%	75.0%	74.0%	69.9%
50 or More Employees	21.2	24.8	25.0	26.0	30.1

SOURCE: County Business Patterns

42  
INDUSTRY SHIPMENTS, BY EMPLOYMENT-SIZE OF PLANT  
(DOLLARS IN MILLIONS)

Employee-Size Class	1958			1963			1967			1972		
	# Of Plants	Sales	% Of Total	# Of Plants	Sales	% Of Total	# Of Plants	Sales	% Of Total	# Of Plants	Sales	% Of Total
<b>Metal Office Furniture</b>												
1-4 Employees	32	\$ 1.6	.6%	32	\$ 1.1		36	\$ 1.2	.2%		\$ 2.5	0.3
5-9 Employees	12	1.0	.3	14	1.4		13	1.7	.3		1.6	0.2
10-19 Employees	19	4.6	1.6	17	3.9		18	4.5	.7		6.4	0.7
20-49 Employees	32	13.2	4.6	32	16.0		32	24.3	3.9		22.3	2.6
50-99 Employees	20	20.8	7.3	30	36.2		32	41.3	6.6		61.6	7.2
100-249 Employees	19	56.3	19.7	22	62.4		28	101.0	16.2		140.4	16.4
250-499 Employees	10	65.5	22.9	13	85.3		15	235.6	37.8		158.9	18.6
500-999 Employees	5	123.1	43.0	6	71.6		8				167.3	19.6
1,000-2,499 Employees	2			4	111.9		5	213.4	34.3		292.8	34.3
Total	151	286.0	100.0	170	390.0		187	622.9	100.0		853.7	--
<b>Wood Office Furniture</b>												
1-4 Employees	49	1.9	2.8	35	1.2		49	1.8	1.1		2.4	1.0
5-9 Employees	23	1.9	2.8	32	3.8		25	3.2	2.0		7.7	3.1
10-19 Employees	22	4.3	6.3	13	2.6		35	9.4	5.9		9.7	3.9
20-49 Employees	29	10.2	14.9	27	12.0		33	18.2	11.5		41.6	16.7
50-99 Employees	8	25.6	37.4	9	8.4		13	16.5	10.4		31.4	12.6
100-249 Employees	13			16	40.5		13	34.3	21.7		49.2	19.7
250-499 Employees	6	24.5	35.8	6	33.1		8	75.1	47.4		107.8	43.2
500-999 Employees	--	--	--	--	--		2					
Total	150	68.4	100.0	138	101.5		178	158.3	100.0		249.7	--

SOURCE: Census

Table 6-DSHARE OF MARKET TRENDS

Percent Of Industry Shipments Accounted  
For By Largest Companies In The Industry:

		4	8	20	50
	Number Of	Largest	Largest	Largest	Largest
	<u>Companies</u>	<u>Companies</u>	<u>Companies</u>	<u>Companies</u>	<u>Companies</u>
<u>Wood Office Furniture</u>					
1947	114	21%	34%	65%	NA
1954	111	25	41	69	NA
1958	147	27	42	68	87%
1963	131	29	47	74	92
1966	NA	30	50	NA	NA
1967	172	29	48	71	88
1970	NA	34	52	NA	NA
<u>Metal Office Furniture</u>					
1947	100	50	66	87	NA
1954	122	46	63	83	NA
1958	142	38	56	80	94
1963	153	33	50	75	93
1966	NA	37	51	NA	NA
1967	166	38	52	75	92
1970	NA	41	55	NA	NA

SOURCE: Annual Survey Of Manufactures

Table 6-ESHARE OF MARKET-PRODUCT SHIPMENTS 1958-1967

	<u>% Of Shipments Accounted For By The:</u>			
	<u>4</u>	<u>8</u>	<u>20</u>	<u>50</u>
	<u>Largest</u>	<u>Largest</u>	<u>Largest</u>	<u>Largest</u>
	<u>Cos.</u>	<u>Cos.</u>	<u>Cos.</u>	<u>Cos.</u>
<u>Metal Chairs, Stools, Sofas,</u>				
<u>Couches, Settees, Etc.</u>				
1958	33%	49%	73%	89%
1963	29	45	69	88
1967	32	45	69	88
<u>Metal Desks</u>				
1958	49	71	92	100
1963	44	64	88	97
1967	47	65	89	100
<u>Metal Cabinets &amp; Cases</u>				
1958	36	58	84	97
1963	31	51	77	97
1967	33	50	78	95
<u>Other Metal Office Furniture</u>				
1958	30	46	70	94
1963	28	45	69	92
1967	35	48	71	93

SOURCE: Census Of Manufactures



SECTION VII  
THE EXPORT MARKET

The export market continues to grow at about the same rate as the domestic markets, with dollar exports reaching \$16.3 million in 1974 vs. \$13.0 million in 1973.

The growth in exports is led by wood office furniture. Exports of this product increased 73% in 1974, after an 89% increase in 1973.

Major markets for our exports are Canada, Saudi Arabia, Switzerland, Venezuela and the Netherlands.

Imports of office furniture are still insignificant.

Tables

- 7-A-----Shows the growth in exports and their relative importance to the total market.
- 7-B-----The export market for specific office furniture products.
- 7-C-----Shows the leading export markets for specific office furniture products, and their relative importance to the total export market. An indication of growth potential can be gotten from comparing 1969 vs. 1973.

WORLD TRADE OPPORTUNITIES

FOREIGN FIRMS INTERESTED IN LICENSING & INVESTMENT ABROAD \*

Date Of Publication

- 3/31/75 Kuwait--Large, established company seeks joint venture partner to expand existing steel furniture manufacturing operation. Partner should be willing to make relatively token investment and provide turn-key type management and technical services. Firm, established 1920, has 1,350 permanent employees. Especially active in heavy construction and has been manufacturing steel furniture for past six years. Fawzi Fharafi, c/o Mohamed Ard Al-Moshin Al-Kharafi, P. O. Box 886, Kuwait. Telephone, 813622; cable Alkharafi, Juwait. P-75191. Copies of letters should be sent to: Richard W. Bogosian, U. S. Embassy, P. O. Box 77, Kuwait.
- 9/16/74 Switzerland--Highly reputable manufacturer and designer of industrial and commercial materials handling equipment and complete systems for permanent installation in large facilities is in process of diversifying its activities. Company seeks licenses for manufacture of semi-and automatically controlled warehousing systems, including mobile racks, lifting devices and related controls for industrial applications, large filing facilities, archives, for storage of documents, correspondence, etc. System should also include automatic filing and file finding devices and require a minimum of personnel; moveable or adjustable wall partitions systems (hydraulically operated with push button control) for installation in conference facilities, hotels, theaters, etc., including ramps, lifting platforms, scenes. Firm is located in well equipped, modern facilities. Its sales and servicing organization is capable of covering most European countries. For further information write: R. Stegmann, Dytan. Stahlund Maschinenbau AG, 6048 Horw, Switzerland. P-74566.

Continued

WORLD TRADE OPPORTUNITIES (CONT'D)FOREIGN FIRMS INTERESTED IN LICENSING & INVESTMENT ABROAD \*

Background information on opportunities abroad and assistance on overseas investments are available from the Foreign Investment Services Staff, Room 4021, U. S. Department Of Commerce, Washington, D. C. 20230. "P" numbers should be used when responding to any of the specific proposals listed.

SOURCE: Dept. Of Commerce, "Commerce Today"

1975 OVERSEAS TRADE FAIRSOPEN TO EXHIBITS OF U. S. PRODUCTS

(For information on international trade fairs in which the U. S. Department of Commerce is not participating, please contact the foreign fair management at the listed address or write the Office of International Marketing, Bureau of International Commerce, U. S. Department of Commerce, Washington, D. C. 20230).

Belgium---Brussels, November 20-25, 1975. Int'l. Furniture Show. Palais du Centenaire, 1020 Brussels. Annual.

Canada---Montreal, June 15-19, 1975. Montreal Furniture Market. Place Bonaventure. Quebec Furniture Mfrs. Assn., P. O. Box 1002, Place Bonaventure, Montreal, Quebec. Annual.

France---Lyon, October 4-7, 1975. MEUROPAM---PRO---MEUROPAM---European Furniture & Furnishing Accessories Exbn. Foire Internationale de Lyon, Palais des Congres, 69459 Lyon. Annual.

Paris, September 18-26, 1975. SICOB---Int'l. Exbn. of Data Processing, Communication & Office Organization. Palais de la Defense, Puteaux. M. M. Hermieu and M. R. Minguet, 6, place de Valois, 75001 Paris. Annual.

Germany---Muester/W.--Sept. 12-23, 1975. BUERO '75---Office Equipment Exbn. Muensterlandhalle. Halle Muensterland GmbH, 44 Muester/W., Albersloh's Weg 32. Biennial.

Italy---Milan--September 1975--(1) International Furniture Show. Salone Internazionale de Mobile. Corso Magenta 96, Milan. Annual. (2) SMAU--International Show Of Office Machinery, Furniture & Equipment. Associazione Nazionale Commercianti Macchine e Forniture per Ufficio. Piazza Belgioioso 1, Milan. Annual.

Continued

1975 OVERSEAS TRADE FAIRS (CONT'D)OPEN TO EXHIBITS OF U. S. PRODUCTS

Japan----Osaka--October 1975, The 51st Business Show. Osaka Int'l. Trade Fair, Minato Fairgrounds. Nippon Office Management Assn. Osaka Science Museum. 1-118. Utsubo, Nishi-ku Osaka. Annual.

Netherlands--Utrecht, Sept. 8-14, 1975. Furniture Fair. Royal Netherlands Industries Fair, Jaarbeuraplein, Utrecht, Biennial.

Portugal-Lisbon, October 1975. Office Furniture and Equipment Show. Feira Internacional de Lisboa. Write: Portuguese Industrial Assn., Praca das Industrias, Lisbon. Annual.

Spain----Valencia--Oct. 18-25, 1975. 10th Spanish Furniture Show & Int'l. Woodworking Machinery Fair. Palacio Ferial, Benimamet, Valencia. Feria Internacional de Muestras, Apartado 476, Valencia. Annual.

Yugoslavia--Belgrade--Nov. 17-23, 1975. Int'l. Furniture & Interior Decoration Fair. BEOGRADSKI SAJAM (Belgrade Fair), Bulevav vojvode Misica 14, 11000 Belgrade, Attn: Miladin Sakic, Director General, and Milovan Jevtovic, Counselor/Foreign Exhibits. Annual.

Zagreb, Oct. 20-25, 1975. INTERBIRO '75--7th Int'l. Electronic Data Processing & Office Equipment Exbn. ZAGREBACKI VELESAJAM. Aleja Borisa Kidrica 2, 41000 Zagreb. Attn: Antun Borcilo, Director General, Igor Vjetrov, Special Events Counselor.

SOURCE: Commerce Today



Table 7-A      THE EXPORT MARKET

(\$ MILLIONS)

	<u>Total Exports</u>	<u>Exports As A % Of Total Shipments</u>
1965	\$ 6.09	1.1%
1966	7.39	1.1
1967	8.54	1.1
1968	9.20	1.3
1969	8.17	1.0
1970	10.65	1.3
1971	8.26	1.1
1972	8.54	0.9
1973	13.04	1.2
1974e <sup>1</sup>	16.50	1.3

1---based on 11 months.

SOURCE: Department Of Commerce

Table 7-BEXPORTS OF OFFICE FURNITUREBY PRODUCT

(\$000)

	Wood Office Furni- <u>ture</u>	Filing, Cabinets, Racks & Similar Office <u>Equip.</u>	Office <u>Desks</u>	Other Metal Office Furni- ture And <u>Parts</u>	Office Chairs, Couches, Settees, Sofas, <u>Stools, Etc.</u>
1965	512.2	4,024.8	-----	3,417.7	-----
1966	773.8	4,856.0	-----	4,272.3	-----
1967	927.8	4,902.5	-----	5,076.6	-----
1968	606.4	3,764.3	-----	5,470.0	-----
1969	682.5	4,407.9	-----	5,459.6	-----
1970	728.6	4,641.3	300.2	4,436.6	1,620.7
1971	651.7	4,349.3	253.7	3,139.3	1,221.6
1972	647.0	4,606.4	158.2	3,236.4	1,390.9
1973	1,222.4	4,685.9	482.0	4,082.9	2,569.5
1974	2,110.4	4,450.5	663.7	6,173.5	3,043.6

SOURCE: U. S. Department Of Commerce

Table 7-C

52

EXPORTS OF OFFICE FURNITURE BY MAJORCOUNTRY OF DESTINATION

(\$000)

	<u>Wood</u>		<u>Office Furniture</u>		<u>Filing Cabinets</u>		<u>Filing Cabinets, Metal, Visible Record, And Parts</u>	
	<u>1969</u>	<u>1973</u>	<u>1969</u>	<u>1973</u>	<u>1969</u>	<u>1973</u>	<u>1969</u>	<u>1973</u>
<u>Total</u>	\$682.5	\$1,222.4	\$2,332.0	\$3,061.9	\$726.9	\$1,624.1		
Canada	29.6%	15.3%	64.5%	62.5%	16.8%	13.1%		
S. Arabia	4.7	24.8	--	0.6	1.7	1.3		
France	--	--	1.4	--	--	4.8		
W. Germany	--	--	0.8	0.9	11.0	--		
Venezuela	--	--	2.9	5.1	6.4	8.8		
Japan	--	2.3	--	1.9	5.6	2.7		
Denmark	--	--	--	--	--	--		
Netherlands	--	--	1.5	1.0	8.1	40.7		
United Kingdom	--	--	1.0	2.1	--	4.1		
Switzerland	--	13.8	--	--	2.5	--		

Continued

Table 7-C

53

EXPORTS OF OFFICE FURNITURE BY MAJOR (CONT'D)COUNTRY OF DESTINATION

(\$000)

	Metal Office Chairs, Tables, Desks And Parts		Metal Office Furniture N.E.C. & Parts	
	1969	1973	1969	1973
<u>Total</u>	\$3,331.6	\$3,051.5	\$2,128.0	\$4,082.9
Canada	42.7%	23.4%	55.3%	62.1%
S. Arabia	1.5	10.7	3.0	2.9
France	1.4	3.5	3.3	2.5
W. Germany	0.4	1.5	4.3	3.6
Venezuela	1.2	--	1.9	1.0
Japan	1.2	10.1	2.1	1.0
Denmark	--	5.3	--	--
Netherlands	--	4.0	2.7	2.3
United Kingdom	1.6	3.2	1.5	2.2
Switzerland	0.7	0.9	4.1	0.6

SECTION VIIIGEOGRAPHIC & REGIONAL DATA

The bulk of office furniture production takes place in the northeastern part of the country. However, the South Atlantic area, taking advantage of its close proximity to materials suppliers, and the lower cost of labor, is the fastest growing producing area, accounting for 28% of U. S. shipments of wood office furniture and 7.0% metal office furniture in 1973, vs. 18½% and 3% respectively in 1962.

Concurrently, the number of plants in the South Atlantic area, especially those manufacturing wood office furniture, has grown in number, while the total number has dropped.

Tables

8-A-----Shows shipments of wood and metal office furniture by geographic regions from 1962-1973. By examining percents of the total column in each year, the fastest and slowest growing manufacturing areas can be determined.

8-B-----Shows the same thing as table 8-A, but for individual products.

8-C, 8-D--Shows the relative costs of production by geographic area. Average hourly earnings is an indication of labor costs.

8-E, 8-F--Shows the number of plants in 1969, and 1973, by state, and by general employment size.

Statistics in this table should be used to compare one's own company operating ratios to the average for his area. It can also be used as a benchmark for new plant location.



## OFFICE FURNITURE MAJOR PRODUCT SHIPMENTS

## BY GEOGRAPHIC REGION

(\$ MILLIONS)

	1962		1965		1969		1971		1973	
	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total
Wood Office Furniture										
Total U. S.	\$93.6	--	\$115.9	--	\$178.8	--	\$169.6	--	\$245.6	--
Middle Atlantic	28.0	29.9%	35.6	30.7%	50.7	28.4%	37.1	21.9%	40.0	16.3%
E. North Central	29.9	31.9	36.2	31.2	49.5	27.7	57.6	34.0	84.0	34.2
W. North Central	--	--	--	--	--	--	--	--	--	--
South Atlantic	17.3	18.5	22.3	19.2	44.6	24.9	42.7	25.2	68.3	27.8
E. South Central	--	--	--	--	--	--	--	--	--	--
Pacific	5.6	6.0	6.4	5.5	13.1	7.3	11.6	6.8	21.9	8.9
Other *	12.8	13.7	15.4	13.3	20.9	11.7	20.7	12.2	31.4	12.8
Metal Office Furniture										
Total U. S.	344.2	--	438.0	--	608.9	--	586.4	--	840.5	--
Middle Atlantic	113.6	33.0%	122.2	27.9%	161.7	26.6%	135.2	23.1%	196.0	23.3%
E. North Central	167.5	48.7	202.1	46.1	307.6	50.5	293.0	50.0	386.5	46.0
W. North Central	22.1	6.4	23.1	5.3	46.6	7.7	47.7	8.1	66.5	7.9
South Atlantic	10.9	3.1	25.6	5.8	41.8	6.9	34.7	5.9	59.0	7.0
E. South Central	--	--	15.9	3.6	26.4	4.3	20.9	3.6	34.9	4.1
Pacific	16.8	4.9	31.3	7.1	47.5	7.8	39.9	6.8	64.0	7.6
Other	13.3	3.9	17.8	4.1	14.3	2.3	14.9	2.5	33.6	4.0

SOURCE: Current Industrial Reports

Table 8-B  
SHIPMENTS OF SELECTED OFFICE FURNITURE PRODUCTS

## BY GEOGRAPHIC REGION

(\$ MILLIONS)

	-----1962-----		-----1965-----		-----1969-----		-----1971-----		-----1973-----	
	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total
<u>Wood Chairs</u>										
Total U. S.	\$35.6	--	\$43.3	--	\$64.4	--	\$70.7	--	\$85.7	--
Middle Atlantic	12.1	34.0%	15.7	36.3%	25.2	39.1%	19.2	27.2%	15.7	18.3%
E. North Central	10.9	30.6	13.4	30.9	17.6	27.3	24.4	34.5	26.5	30.9
South Atlantic	6.1	17.1	6.1	14.1	8.3	12.9	13.4	19.0	19.5	22.8
Pacific	1.6	4.5	2.5	5.8	4.6	7.1	4.5	6.4	8.9	10.4
Other	5.0	14.0	5.7	13.2	8.7	13.5	9.3	13.2	15.1	17.6
<u>Wood Desks</u>										
Total U. S.	31.2	--	37.7	--	63.0	--	57.4	--	85.7	--
Middle Atlantic	5.8	--	7.2	--	8.3	--	7.1	--	15.7	--
E. North Central	11.6	--	13.2	--	19.3	--	20.6	--	26.5	--
South Atlantic	--	--	--	--	--	--	--	--	19.5	--
Pacific	2.1	--	2.6	--	6.2	--	5.0	--	8.9	--
Other	11.6	--	14.7	--	29.2	--	24.8	--	15.1	--

Continued

## SHIPMENTS OF SELECTED OFFICE FURNITURE PRODUCTS (CONT'D)

## BY GEOGRAPHIC REGION

(\$ MILLIONS)

	1962		1965		1969		1971		1973	
	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total
<b>Metal Chairs</b>										
Total U. S.	\$67.6	--	\$93.3	--	\$153.3	--	\$139.5	--	\$219.0	--
Middle Atlantic	8.6	12.8%	11.4	12.2%	17.0	11.0%	13.7	9.8%	32.8	15.0%
E. North Central	42.5	62.9	46.5	49.8	74.3	48.5	70.5	50.5	91.2	41.6
W. North Central	--	--	--	--	15.2	9.9	14.2	10.2	16.1	7.4
South Atlantic	--	--	--	--	17.7	11.5	15.4	11.0	21.6	9.9
Pacific	3.6	5.3	6.8	7.3	10.4	6.8	9.2	6.6	12.7	5.8
Other	12.8	18.9	28.6	30.7	18.8	12.3	16.6	11.9	44.6	20.4
<b>Metal Desks</b>										
Total U. S.	\$89.2	--	\$114.3	--	\$167.3	--	\$119.5	--	\$169.3	--
Middle Atlantic	33.2	37.2%	37.8	33.1%	53.9	32.2%	34.8	29.1%	44.0	26.0%
E. North Central	46.4	52.0	55.5	48.6	82.1	49.1	59.3	49.6	81.8	48.3
Pacific	6.7	7.5	12.3	10.8	18.2	10.9	14.0	11.7	21.1	12.5
Other	2.9	3.3	8.7	7.6	13.2	7.9	11.3	9.5	22.4	13.2
<b>Metal-Non-Mechanical Vertical Filing Cabinets-Letters</b>										
U. S. Total	\$54.6	--	\$68.4	--	\$90.5	--	\$78.4	--	\$111.1	--
Middle Atlantic	23.5	43.0%	23.5	34.4%	34.1	37.7%	29.7	37.9%	41.6	37.4%
E. North Central	20.5	37.5	30.7	44.9	35.0	38.7	28.0	35.7	34.5	31.1
Pacific	3.0	5.5	4.9	7.2	7.0	7.7	7.1	9.1	12.4	11.2
Other	7.5	13.7	9.4	13.7	14.4	15.9	13.6	17.3	22.6	20.3

Continued

## SHIPMENTS OF SELECTED OFFICE FURNITURE PRODUCTS (CONT'D)

## BY GEOGRAPHIC REGION

(\$ MILLIONS)

	-----1962-----	-----1965-----	-----1969-----	-----1971-----	-----1973-----	
	Ship- ments	% Total	Ship- ments	% Total	Ship- ments	% Total
Non-Mechanical-Vertical Filing Cabinets-Legal						
U. S. Total	\$23.8	--	\$27.6	--	\$35.6	--
Middle Atlantic	11.9	50.0%	9.2	33.3%	9.9	27.8%
E. North Central	9.9	41.6	12.4	44.9	17.9	50.3
Pacific	0.7	2.9	2.8	10.1	2.7	7.6
Other	1.3	5.5	3.2	11.6	5.1	14.3
					\$34.9	--
					8.4	24.1%
					19.0	54.4
					2.0	5.7
					5.5	15.8
						\$45.1
						14.9
						19.0
						3.8
						7.4
						16.4
Non-Mechanical-Vertical Filing Cabinets-Legal						
U. S. Total	\$20.5	--	\$24.4	--	\$39.4	--
Middle Atlantic	7.4	36.1%	7.8	32.0%	8.2	20.8%
E. North Central	7.8	38.0	8.7	35.7	14.4	36.5
Pacific	--	--	--	--	5.2	13.2
Other	5.3	25.9	7.9	32.4	11.6	29.4
					\$38.9	--
					6.1	15.7%
					20.6	53.0
					--	--
					--	--
					--	--
					3.2	13.0
						\$24.6
						5.8
						10.6
						5.0
						3.2
						13.0
Metal Tables & Stands						
U. S. Total	\$23.3	--	\$33.8	--	\$35.6	--
Middle Atlantic	4.8	20.6%	9.4	27.8%	8.1	22.8%
E. North Central	11.6	49.8	13.7	40.5	19.8	55.6
W. North Central	2.0	8.6	3.6	10.7	5.3	14.9
Other	4.9	21.0	7.1	21.0	2.4	6.7
					\$31.8	--
					7.6	23.9%
					16.4	51.6
					4.7	14.8
					3.2	10.1
						\$38.6
						12.0
						19.9
						2.9
						3.8
						9.8

SOURCE: Current Industrial Reports

## OPERATING RATIOS BY REGION

## METAL OFFICE FURNITURE

Table 8-C

	-----As A % Sales-----				-----Production Workers-----			
	Cost Of Materials		Payroll Costs		Material And Payroll Costs		Average Hourly Earnings	
	1967	1972	1967	1972	1967	1972	1967	1972
The U. S. Average	38.4%	41.0%	28.7%	29.1%	67.1%	70.1%	\$2.92	\$3.91
Northeast Region	40.3%	41.0%	30.8%	31.4%	71.1%	72.4%	2.67	3.56
New York	37.7	37.2	30.4	28.5	68.1	65.7	2.67	3.31
Pennsylvania	42.1	44.6	32.5	33.2	74.6	77.8	2.74	3.97
North Central Region	37.4	41.3	29.1	28.9	66.5	70.2	3.40	4.58
Indiana	31.8	37.4	32.3	35.2	64.1	72.6	3.40	3.46
Michigan	(D)	36.4	(D)	31.2	(D)	67.6	(D)	5.44
South Region	34.5	36.1	23.4	28.6	57.9	64.7	2.20	2.72
South Atlantic Div.	(D)	27.6	(D)	33.5	(D)	61.1	(D)	2.77
East South Central Div.	(D)	46.2	(D)	23.2	(D)	69.4	(D)	2.72
Kentucky	(D)	39.0	(D)	51.2	(D)	80.2	(D)	4.00
Alabama	(D)	49.7	(D)	16.6	(D)	66.3	(D)	2.13
West Region	42.4	46.0	23.9	23.3	66.3	69.3	2.83	3.52
							26.4	35.0

(D)---Withheld to avoid disclosure.

SOURCE: Census Of Manufactures



Table 8-D

60

## OPERATING RATIOS BY REGION

## WOOD OFFICE FURNITURE

	-----As A % Of Sales-----				-----Production Workers-----			
	Cost Of Materials		Payroll Costs		Average Hourly Earnings		Sales Per Employee	
	1967	1972	1967	1972	1967 \$	1972 \$	1967 (\$000)	1972 (\$000)
The Industry's U. S. Average	45.3%	42.2%	29.3%	31.7%	\$2.49	\$3.08	\$19.3	\$21.8
Northeast Region	48.6	35.9	29.6	33.7	2.84	3.49	20.8	21.4
New York	39.5	31.3	36.4	36.4	3.05	3.90	19.0	22.9
Pennsylvania	57.4	37.6	21.8	32.6	2.57	2.73	25.3	20.1
North Central Region	41.6	42.0	33.5	32.8	2.61	3.08	17.7	20.4
South Region	48.2	49.2	24.7	30.3	2.02	2.79	19.2	21.7
South Atlantic Div.	(D)	46.3	(D)	30.7	(D)	2.75	(D)	21.1
West Region	33.3	42.1	30.6	33.8	2.78	3.41	18.5	24.2

(D)---Withheld to avoid disclosure.

SOURCE: Census Of Manufactures

Table 8-E

61

## NUMBER OF PLANTS IN THE METAL OFFICE FURNITURE INDUSTRY

## BY LABOR CLASS SIZE &amp; MAJOR STATE \*

1969 VS. 1973

	-----1969-----			-----1973-----		
	Total	1-49 Employees	50 Or More Employees	Total	1-49 Employees	50 Or More Employees
U. S. Total	184	96	88	178	88	90
<u>New England States</u>						
Massachusetts	4	3	1	3	2	1
Conn.	5	3	2	4	3	1
<u>Middle Atlantic States</u>						
New York	33	16	17	25	15	10
N. J.	9	5	4	7	3	4
Pa.	18	7	11	17	8	9
<u>East North Central States</u>						
Ohio	10	4	6	9	4	5
Indiana	8	3	5	7	3	4
Illinois	14	9	5	15	9	6
Michigan	6	2	4	7	2	5
Wisconsin	4	2	2	5	3	2
<u>West North Central States</u>						
Minnesota	3	3	--	5(a)	5	--
Iowa	2	--	2	2	--	2
Missouri	5	4	1	6	3	3
Kansas	1	--	1	2	--	2

Continued

Table 8-E

## NUMBER OF PLANTS IN THE METAL OFFICE FURNITURE INDUSTRY (CONT'D)

BY LABOR CLASS SIZE &amp; MAJOR STATE \*

1969 VS. 1973

	-----1969-----		-----1973-----	
	50		50	
	1-49	Or More	1-49	Or More
	<u>Total</u>	<u>Employees</u>	<u>Total</u>	<u>Employees</u>
South Atlantic States				
Delaware	1	1	--	1
Virginia	3	1	2	--
N. Carolina	--	--	--	1
S. Carolina	3	2	1	--
Georgia	2	2	--	3
Florida	3	1	2	2
Washington, D. C.	--	--	--	1
East South Central States				
Tennessee	4	2	2	5
Alabama	1	1	--	1
West South Central States				
Texas	6	1	5	2
Mountain States				
Colorado	--	--	--	1
Pacific States				
California	31	13	18	19
Puerto Rico	--	--	--	2
				1

\* States with at least 100 employees or 10 plants in the industry.  
 (a) Wood & metal furniture plants combined in 1973.

SOURCE: County Business Patterns

# NUMBER OF PLANTS IN THE WOOD OFFICE FURNITURE INDUSTRY

BY LABOR CLASS SIZE &amp; MAJOR STATE \*

1969 vs. 1973

	-----1969-----		-----1973-----	
	1-49	50 Or More	1-49	50 Or More
<u>Total</u>	<u>Employees</u>	<u>Employees</u>	<u>Employees</u>	<u>Employees</u>
U. S. Total	173	130	43	173
173	130	43	173	52
<u>New England States</u>				
Connecticut	2	1	1	1
<u>Middle Atlantic States</u>				
New Jersey	--	--	--	--
New York	34	30	4	24
Pa.	13	7	6	11
<u>East North Central States</u>				
Ohio	5	2	3	8
Indiana	14	4	10	12
Illinois	6	5	1	5
Michigan	8	4	4	6
<u>West North Central States</u>				
Missouri	--	--	--	2
Iowa	1	--	1	1
<u>South Atlantic States</u>				
Florida	7	7	--	11
Washington D. C.	--	--	--	2
N. Carolina	--	--	--	16
Georgia	--	--	--	2
<u>East South Central States</u>				
Tennessee	--	--	--	2
Mississippi	--	--	--	1
Alabama	--	--	--	3

Continued

Table 8-F      NUMBER OF PLANTS IN THE WOOD OFFICE FURNITURE INDUSTRY (CONT'D)

BY LABOR CLASS SIZE & MAJOR STATE \*

1969 VS. 1973

	-----1969-----			-----1973-----		
	50			50		
	1-49	Or More		1-49	Or More	
	<u>Employees</u>	<u>Employees</u>		<u>Employees</u>	<u>Employees</u>	
	<u>Total</u>	<u>Total</u>		<u>Total</u>	<u>Total</u>	
<u>West South Central States</u>						
Texas	10	9	1	6	6	--
<u>Mountain States</u>						
Colorado	--	--	--	1	1	--
<u>Pacific States</u>						
California	34	30	4	37	27	10
Washington	--	--	--	4	3	1

\* States with at least 100 employees or 10 plants in the industry.

SOURCE: County Business Patterns

SECTION IXLABOR TRENDS

Total employment, and employment of production workers, was up in 1974, but will decline in 1975 due to the sluggishness in demand for office furniture products.

The employment of women continues to slightly outpace total employment growth.

Work-injury rates continue to be above the manufacturing average. New O.S.H.A. regulations make it importance to reduce the number of work-related injuries.

Tables

9-A-----Employment and earnings trends in the industry.

9-B-----Labor turnover rates through 1974.

9-C-----Work stoppages, 1968-1972.

9-D-----Work injury rates.



Table 9-A OFFICE FURNITURE-EMPLOYMENT TRENDS

				-----Production Workers-----			
	Total Employees (000)	Women Employees (000)	Women % Of Total	Number (000)	Average Hourly Earnings	Average Weekly Hours	Average Overtime Hours
1958	25.2	--	--	20.4	\$2.05	38.4	1.4
1959	26.6	3.1	12%	21.6	2.14	40.5	2.4
1960	27.8	3.3	12	22.4	2.21	41.1	2.4
1961	26.6	3.3	12	21.0	2.23	40.6	2.0
1962	28.0	3.5	12	22.4	2.28	40.6	2.1
1963	27.7	3.3	12	21.9	2.33	41.1	2.2
1964	28.0	3.4	12	21.9	2.37	41.3	2.5
1965	30.2	3.9	13	23.6	2.46	42.3	3.6
1966	34.7	4.8	14	27.1	2.60	43.2	4.7
1967	36.1	5.4	15	28.1	2.66	42.1	3.6
1968	36.1	5.6	16	28.1	2.78	41.8	4.0
1969	39.6	6.3	16	31.2	2.97	42.0	4.5
1970	37.7	6.2	16	29.3	3.13	39.7	2.8
1971	33.5	5.8	16	25.4	3.38	40.8	3.2
1972	38.6	6.7	17	30.2	3.53	42.0	4.3
1973	41.1	5.8	16	32.6	3.66	41.3	3.8
1974	45.2	6.9	17	36.0	3.89	40.8	3.4

Table 9-B:

LABOR TURNOVER

-----Per 100 Employees-----

	<u>Total</u> <u>Accessions</u>	<u>Total</u> <u>Separations</u>	<u>Quits</u>	<u>Layoffs</u>	<u>Accessions</u> <u>Separations</u> <u>Ratios</u>
1958	2.4	2.5	0.7	1.5	0.96
1959	3.6	3.1	1.2	1.4	1.16
1960	2.9	3.1	1.2	1.4	0.94
1961	2.7	2.7	1.0	1.2	1.00
1962	3.0	2.8	1.2	1.0	1.07
1963	2.8	3.4	1.2	1.7	0.82
1964	3.4	3.2	1.5	1.1	1.06
1965	3.9	3.4	2.1	0.6	1.15
1966	5.6	4.4	3.1	0.2	1.27
1967	4.1	4.4	2.6	0.8	0.93
1968	4.7	4.6	2.9	0.6	1.02
1969	5.9	5.3	3.9	0.4	1.11
1970	3.1	5.1	2.3	1.8	0.61
1971	3.8	3.7	1.8	1.1	1.03
1972	4.8	4.2	2.6	0.6	1.14
1973	5.4	4.6	3.0	0.5	1.17
1974	4.4	4.5	2.7	0.9	0.98

SOURCE: Employment & Earnings  
Trends

Table 9-C

WORK STOPPAGES  
IN THE OFFICE FURNITURE INDUSTRY

	<u>Number Of Stoppages</u>	<u>Average Duration</u>	<u>Workers Involved</u> (000)	<u>Man-Days Idle During Years</u> (000)
1968	6	NA	3.2	77.1
1969	6	34.6	3.2	78.4
1970	14	17.3	3.7	45.0
1971	11	62.2	3.1	124.3
1972	4	7.5	0.5	2.9

NA=Not Available

SOURCE: Bureau Of Labor Statistics

Table 9-DWORK-INJURY RATE \*

	<u>Office Furniture</u>		<u>All Manufacturing Industries</u>
	<u>Metal</u>	<u>Wood</u>	
1958	14.6	13.7	11.4
1959	17.9	16.3	12.4
1960	16.2	17.9	12.0
1961	14.6	14.2	11.8
1962	17.4	21.3	11.9
1963	18.0	18.0	11.9
1964	16.6	18.7	12.3
1965	20.1	21.2	12.8
1966	21.3	23.4	13.6
1967	20.6	19.8	14.0
1968	19.3	25.0	14.0
1969	22.3	30.4	14.8
1970	18.2	26.5	15.2
1972	24.0	25.0	15.0

\* Average number of disabling work injuries  
for each million employee hours worked.

SOURCE: U. S. Department Of Labor

SECTION XMATERIALS SECTION

Wholesale prices for the major materials used in the production of office furniture soared in 1974.

Finished steel products, which accounts for about 1/3 of metal office furniture material costs, was up 33% in 1974. Prices will probably remain strong in 1975.

Softwood lumber prices increased only 4.4% in 1974, after skyrocketing in 1973. Based on monthly figures, we feel prices will soften somewhat in 1975.

Hardwood lumber, the major material used in wood office production, increased 23% in 1974, after a 43% price increase in 1973. However, it too will begin to soften in 1975.

Tables

10-A-----The quantity and delivered cost of materials used in the production of metal office furniture, 1967 and 1972.

10-B-----The quantity and delivered cost of materials used in the production of wood office furniture, 1967-1972.

10-C-----An index of wholesale prices for the major materials.

10-D-----Consumption of carbon steel and other metal products, on a yearly basis, 1959-1973.

Table 10-A

71

METAL OFFICE FURNITUREMATERIALS CONSUMED, BY KIND

(\$ MILLIONS)

Quantity Unit Of Measure	Quantity	Delivered		Quantity	Delivered		Delivered Cost As % Of Total
		Cost	Cost		Cost	Cost	
Total Cost	--	\$202.8	--	--	\$279.0	--	--
Hardwood Lumber, Rough & Dressed	(Mil.Bd.Ft.) 6.3	0.8	0.4%	3.8	1.4	0.5%	0.5%
Softwood Lumber, Rough & Dressed	7.9	0.7	0.3	5.7	1.0	0.4	0.4
Hardwood Veneer	NA	0.5	0.2	6.1	1.7	0.6	0.6
Hardwood Plywood	1.7	0.6	0.3	5.3	2.2	0.8	0.8
Softwood Plywood	NA	0.4	0.2	2.7	0.9	0.3	0.3
Particleboard	2.4	0.6	0.3	6.8	1.9	0.7	0.7
Furniture & Builders Hardware Inc. Cabinet, Casters Gliders, Handles Hinges, Locks, Etc. Mill Shapes & Forms, Except Castings Carbon Steel, Sheet & Strip	x	22.4	11.0	x	34.4	12.3	12.3
(1,000 Short Tons)	450.7	71.9	35.5	460.7	88.1	31.6	31.6
All Other Carbon Steel Shapes & Forms (Inc. Tubing)	31.3	6.5	3.2	52.4	12.4	4.4	4.4
Alloy Steel Mill Shapes & Forms	33.1	3.1	1.5	(D)	(D)	--	--
Stainless Steel Mill Shapes & Forms	0.4	0.6	0.3	2.9	3.4	1.2	1.2
Aluminum & Alum. Based Alloy Mill Shapes	(Mil.Lb.) 7.9	4.8	2.4	7.6	5.0	1.8	1.8
Elastic Furniture Parts & Components	--	NA	--	--	8.9	3.2	3.2
Paints, Varnishes, Lacquers, Etc.	(Mil.Gals.) 2.6	8.3	4.1	2.6	9.0	3.2	3.2
Elastic Laminated Sheets	--	6.4	3.2	--	5.5	2.0	2.0
Coated Or Laminated Fabric	(Mil.Lin.Yds.) 3.3	5.8	2.9	9.2	7.9	2.8	2.8
Paperboard Boxes & Containers, Inc. Fold. Corrugated & Setup	x	13.4	6.6	x	15.7	5.6	5.6
All Other Materials	--	56.2	27.7	--	78.4	28.1	28.1

(D) Withheld To Avoid Disclosure



Table 10-B

72

WOOD OFFICE FURNITURE  
MATERIALS CONSUMED, BY KIND  
 (\$ MILLIONS)

		<u>1967</u>			<u>1972</u>		
Quantity Unit Of	Measure	Quantity	Delivered Cost	Delivered Cost As % Total	Quantity	Delivered Cost	Delivered Cost As % Total
Total		--	\$65.6	--	--	\$97.2	--
Hardwood Lumber, Roughed & Dressed	(Mil.Bd.Ft.)	67.0	\$12.5	19.1%	81.1	\$18.9	19.4%
Softwood Lumber, Roughed & Dressed	"	6.5	0.8	1.2	4.1	1.4	1.4
Hardwood Veneer	(Mil.Sq.Ft.)	59.5	2.8	4.3	54.7	4.6	4.7
Hardwood Plywood	"	16.6	6.5	9.9	13.6	6.6	6.8
Softwood Plywood	"	(S)	0.8	1.2	(S)	0.5	0.5
Particle Board	"	8.0	1.8	2.7	25.0	4.4	4.5
Hard Pressed Wood Fiberboard	"	2.0	0.2	0.3	2.6	0.2	0.2
Furniture & Builders Hardware, Inc. Cabinet, Casters, Gliders, Handles, Hinges, Locks, Etc. Mill Shapes & Forms Carbon Steel,		--	8.6	13.1	--	10.3	10.6
Sheet & Strip	(1,000 Sh.Tns.)	9.9	2.8	4.3	--	1.5	1.5
Other Carbon Steel	"	--	1.5	2.3	--	1.5	1.5
Alloy Steel Mill Shapes & Forms	"	--	--	--	--	--	--
Stainless Steel "	"	NA	0.2	0.3	NA	NA	--
Plastic Furniture Parts & Components	(Mil.Lbs.)	--	0.7	1.1	NA	NA	--
Paints Varnishes Lacquers, Etc.	(Mil.Gal.)	0.7	1.6	2.4	0.8	1.8	1.9
Plastic Laminated Sheets	"	--	2.5	3.8	--	4.7	4.8
Coated Or Laminated Fabric	(Mil.Lin.Yds.)	0.9	2.3	3.5	2.1	4.6	4.7
Paperboard Boxes & Containers Inc. Folding, Corrugated & Setup All Other Materials		--	2.3	3.5	--	3.5	3.6
		--	22.9	34.9	--	33.3	34.3

SOURCE: Census

Table 10-CWHOLESALE PRICES FOR MAJORMATERIALS USED IN THE PRODUCTION OF OFFICE FURNITURE

(1967=100)

	<u>Finished</u> <u>Steel</u> <u>Products</u>	<u>Furniture</u> <u>Hardware</u>	<u>Soft</u> <u>Wood</u> <u>Lumber</u>	<u>Hardwood</u> <u>Lumber</u>	<u>Hard</u> <u>Board &amp;</u> <u>Particle</u> <u>Board</u>	<u>Prepared</u> <u>Paint</u> <u>Products</u>
1958	94.9	--	--	86.3	103.5	91.9
1959	96.5	--	--	89.9	104.6	91.9
1960	96.3	--	--	90.8	103.8	92.1
1961	95.9	--	--	86.2	104.3	94.8
1962	95.7	--	--	86.0	105.3	95.0
1963	96.2	--	--	88.8	106.1	95.0
1964	97.0	--	92.1	92.2	104.2	95.8
1965	97.5	--	91.4	97.4	104.1	96.4
1966	98.8	--	93.4	108.7	103.4	97.7
1967	100.0	100.0	100.0	100.0	100.0	100.0
1968	102.5	101.0	120.7	104.5	99.1	104.8
1969	107.3	111.0	134.5	120.1	102.9	109.1
1970	114.2	120.1	113.4	114.7	93.4	112.4
1971	123.0	131.4	141.0	113.5	93.3	115.6
1972	130.4	138.2	167.7	126.2	96.4	118.0
1973	134.1	141.9	214.3	169.0	105.7	122.2
1974e 1	166.7	167.6	218.7	192.6	117.0	135.2

1---Based on Ten Months

Table 10-DMETAL OFFICE EQUIPMENT (INCLUDING SAFES & CHESTS)CONSUMPTION OFCARBON STEEL (INCLUDING WROUGHT IRON)MILL SHAPES AND CASTINGS (INCLUDINGPLATE, SHEET, BARS, TUBING, WIRE ETC.)SHORT TONS

		<u>Aluminum</u> <u>Mill</u> <u>Shapes</u> <u>&amp; Casting</u>	<u>Copper &amp;</u> <u>Copper-Base</u> <u>Alloy</u> <u>Brass Mill</u> <u>Products &amp;</u> <u>Foundry</u> <u>Products</u>
1959	342,059	2,683	448
1960	331,635	2,664	253
1961	301,136	2,631	204
1962	330,028	2,824	193
1964	368,287	2,616	266
1965	406,503	2,850	263
1966	497,593	3,363	346
1968	458,334	3,169	523
1969	533,671	3,698	498
1970	454,175	3,686	673
1971	434,929	3,899	669
1973 1	721,500	5,100	200

Figures for 1963 and 1967 & 1972 are not available.

1---Rounded to nearest 100.

SOURCE: Current Industrial Reports

SECTION XIDISTRIBUTION AND MARKETING

The Federal & State Government's are the largest single end-use markets for office furniture, both metal and wood. (Tables 11-A. 11-B).

Over  $\frac{1}{2}$  of all wholesaling is done by household and office furniture merchant wholesalers, and about 82% by all merchant wholesalers. Only 17% is done by manufacturers sales branches (Table 11-D).

Roughly 20% of all wholesalers are located in New York, with another 11% in California. (Table 11-E)

Tables

11-A-----End-use purchasers of metal office furniture 1963-1967--  
(latest figures available).

11-B-----End-use purchasers of wood office furniture 1963-1967.

11-C-----The class of customer that merchant wholesalers sell to.

11-D-----Wholesale sales by kind of wholesaler for 1967--  
(latest figures available.)

11-E-----The number of office furniture wholesalers by state.  
A reflection of the market size by state. 1972.

Table 11-AMAJOR END USE MARKETS OFMETAL OFFICE FURNITURE

(\$ MILLIONS)

	<u>1963</u>	<u>% Total</u>	<u>1967</u>	<u>% Total</u>
<u>Total Final Demand</u>	\$410.5	--	\$588.2	--
State & Local Gov't. Purchases- Education	62.8	15.3%	48.0	8.2%
Federal Gov't. Purchases (Other Than Defense)	18.9	4.6	24.3	4.1
Metal Partitions & Fixtures Industry	13.5	3.3	16.4	2.8
Net Exports	9.4	2.3	9.0	1.5
Safes And Vaults	--	--	8.3	1.4
Wholesalers Trade	2.9	0.7	7.1	1.2
Federal Gov't. Purchases, Defense	--	--	6.6	1.1
Public Building Furniture	--	--	6.5	1.1
Surgical And Medical Inst.	--	--	5.7	1.0
Metal Office Furniture Industry	1.2	0.3	4.9	0.8
Commercial Printing	18.1	4.4	4.0	0.7
Boat Building & Repairing	5.7	1.4	3.9	0.7
Wood Office Furniture	--	--	3.2	0.5
State & Local Gov't. Purchases, Health Welfare & Sanitation	--	*	3.1	0.5
State & Local Gov't. Purchases Safety	--	*	2.5	0.4

\* Included in "State &amp; Local Gov't. Purchases Education"

SOURCE: U. S. Department Of Commerce

Table 11-BMAJOR END USE MARKETS OFWOOD OFFICE FURNITURE

(\$ MILLIONS)

	<u>1963</u>	<u>% Total</u>	<u>1967</u>	<u>% Total</u>
<u>Total Final Demand</u>	\$112.3	--	\$160.2	--
State & Local Gov't. Purch-				
Education	9.9	8.8%	14.3	8.9%
Fed. Gov't. Purchase (Other Than				
Defense)	5.3	4.7	6.4	4.0
Public Building Furn.	--	--	6.3	3.9
Wood Household Furniture	--	--	2.4	1.5
State & Local Gov't. Purch.				
Safety	--	**	2.3	1.4
Wood Partitions & Fixtures	0.4	0.4	2.1	1.3
Fed. Gov't. Purch. Defense	--	*	1.8	1.1
Furniture & Fixtures N.E.C.	--	--	1.8	1.1
Metal Office Furn.	3.5	3.1	1.7	1.1
Wood Office Furniture	--	--	1.2	0.7
Metal Partitions & Fixtures	--	--	1.1	0.7
Exports	2.6	2.3	0.8	0.5
Wholesale Trade	0.4	0.4	0.7	0.4
State & Local Gov't. Purch., Health				
Welfare & Sanitation	--	**	0.4	0.2

\* Included in Fed. Gov't. Purchases Other Than Defense.

\*\* Included in State &amp; Local Gov't. Purchases-Education.

SOURCE: Department of Commerce



Table 11-C

DISTRIBUTION OF SALES OF MERCHANT  
WHOLESALESAERS OF BUSINESS & OFFICE FURNITURE

	<u>1958</u>	<u>1963</u>	<u>1967</u>
Number Of Establishments	1,027	1,265	1,408
Total Sales (\$000)	\$361,427	\$500,642	\$769,083
Percent Of Sales To:			
Industrial, Commercial Users	72.9%	78.1%	76.7%
Federal Government	*	*	1.4
Retailers	21.9	12.9	12.7
Consumers & Farmers	1.5	2.7	4.4
Wholesale Organizations	2.8	5.6	4.5
Export	0.9	0.8	0.3

\* Included With Industrial

Table 11-DWHOLESALE SALES BY TYPE OF WHOLESALER

(\$ MILLIONS)

	----- <u>1967</u> -----	
	<u>Sales</u>	<u>% Of Total</u>
<u>Total Wholesale Sales</u>	\$ 941.7	--
Merchant Wholesalers, Total	\$ 769.1	81.7%
<u>By Kind:</u>		
Household & Office Furniture	486.1	51.6
Other	283.0	30.1
Merchandising Agents	13.4	1.4
Manufacturers' Sales Branches	159.2	16.9

Table 11-ENUMBER OF FURNITURE & HOME FURNISHINGS WHOLESALERS 1972BY EMPLOYMENT CLASS SIZE & MAJOR STATES \*

	<u>Employment Size Class</u>		
	<u>Total</u>	<u>1-49</u>	<u>50 or More</u>
U. S. Total	7,773	7,518	255
<u>New England States</u>			
Maine	12	12	--
N. H.	15	15	--
Vermont	12	11	1
Massachusetts	246	238	8
R. I.	32	31	1
Conn.	116	113	3
<u>Middle Atlantic States</u>			
New York	1,503	1,462	41
N. J.	275	264	11
Pa.	447	433	14
<u>East North Central States</u>			
Ohio	337	323	14
Ind.	124	118	6
Ill.	533	507	26
Michigan	232	224	8
Wisconsin	93	89	4
<u>West North Central States</u>			
Minnesota	150	142	8
Iowa	43	43	--
Missouri	185	182	3
N. Dakota	4	4	--
S. Dakota	10	10	--
Nebraska	38	37	1
Kansas	66	66	--

Continued

NUMBER OF FURNITURE & HOME FURNISHINGS WHOLESALERS 1972 (CONT'D)

BY EMPLOYMENT CLASS SIZE & MAJOR STATES \*

	<u>Employment Size Class</u>		
	<u>Total</u>	<u>1-49</u>	<u>50 or More</u>
<u>South Atlantic States</u>			
Delaware	12	12	--
Maryland	115	106	9
Washington D. C.	43	41	2
Virginia	91	87	4
W. Virginia	36	34	2
N. Carolina	183	181	2
S. Carolina	46	45	1
Georgia	219	212	7
Florida	330	319	11
<u>East South Central States</u>			
Kentucky	48	46	2
Tenn.	129	124	5
Alabama	65	62	3
Mississippi	26	25	1
<u>West South Central States</u>			
Arkansas	29	28	1
Louisiana	80	78	2
Oklahoma	71	69	2
Texas	393	376	17
<u>Mountains States</u>			
Montana	12	12	--
Idaho	12	12	--
Colorado	114	108	6
New Mexico	20	20	--
Arizona	52	52	--
Utah	37	37	--
Nevada	15	15	--
<u>Pacific States</u>			
Washington	131	127	4
Oregon	81	80	1
Calif.	867	843	24
Hawaii	30	30	--
<u>Puerto Rico</u>	43	42	1

\* States with at least 100 employees or 10 wholesalers in the industry.

SOURCE: County Business Patterns

SECTION XIIADVERTISING

Advertising expenditures were up sharply in 1974, a reflection of the improved market picture, after three prior years of relatively low expenditure.

Virtually all office furniture advertising is done in magazines and business publications.

Shaw Walker (13% of total) and Steelcase, (12%) are the biggest advertisers.

Tables

12-A-----Advertising expenditures in the six major media, by company and by product--1970-1974.

12-B-----Leading advertisers in the six major media, 1974.

12-C-----Advertising expenditures in business publications, 1965-1973, by company. Includes expenditures by the company for products other than office furniture.

SECTION XIIICOMPANY FINANCIAL ANALYSIS

Sales were up for all of the companies in this section, in 1974, led by Herman Miller (33.9% over 1973), HON, (25.5%), and GF Business Equipment (18.4%). The composite figure was up 18.2%.

GF, went over the \$100 million mark in sales in 1974.

HON Industries sales increased 255% over the five years analyzed.

In almost all cases, production costs rose in 1974, while selling and administrative costs for the most part declined.

Tables

13-A-----A comparison of profit margins for 12 office furniture manufacturers.

13-B-----A sales growth rate comparison of the 12 companies.

13-C-----A financial analysis of the companies from 1969-1974.



Table 12-A

OFFICE FURNITUREADVERTISING EXPENDITURES BY PRODUCT

(\$000)

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
Total <sup>1</sup>	\$2,486.2	\$1,519.1	\$1,577.7	\$1,554.6	\$2,307.7
Adirondack Chair Co. Inc.					
Adirondack Folding Furniture	1.8	2.0	1.6	1.6	1.2
Bankers Box Co.					
Bankers Box Co. Record Storage Equipment	5.9	--	3.2	1.7	--
CIT Financial Corp.					
All-Steel Office Furniture	122.1	111.6	128.0	137.4	194.8
Frank Office Supply Co.					
Frank Office Furniture	.3	.5	1.3	1.2	--
Frank Tidi-Files	--	--	--	1.5	8.1
General Interiors Corp.					
Kittinger Office Furniture	--	--	1.3		
Heller, Walter E. Int. Corp.	4.8	10.3	5.2	8.0	8.1
Knoll Office Furniture					
Knoll Office Furniture	104.6	52.1	19.8	8.9	9.2
Laz-Boy Chair Co.					
La-Z-Boy Office Furniture	--	34.9	--	154.5	84.7
Lyon Metal Products Inc.					
Lyon Metal Office & Shop Furniture	222.2	110.3	72.1	145.1	190.6
Meilink Steel Safe Co.					
Meilink Fyre Fiter Files	--	--	--	24.2	25.4
Miller, Herman Inc.					
Herman Miller Office Furniture	--	36.3	150.9	71.0	104.6
Monroe Table Co.					
Monroe Folding Furniture	4.4	.8	3.6	2.4	--

Continued

Table 12-A

OFFICE FURNITUREADVERTISING EXPENDITURES BY PRODUCT (CONT'D)

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
	(\$000)				
Oxford Pendaflex Corp.	--	--	--	36.4	73.5
Oxford Desk-Top Organizers	194.1	208.3	196.2	116.1	54.3
Oxford Filing Systems	--	--	16.2	81.2	33.1
Oxford Office Furniture	--	--	--	--	--
Shaw Walker Co.	--	98.1	17.9	6.8	3.6
Shaw Walker Files	--	--	87.0	56.1	186.8
Shaw Walker Files & Office Furniture	329.0	144.9	115.6	217.7	102.1
Shaw Walker Office Furniture	--	13.7	30.1	16.3	19.7
Smead Mfg. Co. Inc.	--	--	--	5.4	--
Smead Filing Systems	--	--	--	--	--
Sperry Rand Corp.	293.7	197.7	256.9	238.6	273.2
Victor Fire Master Files	--	--	--	--	--
Steelcase Inc.	3.4	--	--	2.7	3.6
Steelcase Office Furniture	--	--	--	--	--
Stowe-Davis Furniture Co.	--	--	--	--	--
Stowe-Davis Office Furniture	--	--	--	--	--

1---About 15% of the total figure is products other than office furniture.

SOURCE: Leading National Advertisers

Table 12-BLEADING OFFICE FURNITURE ADVERTISERS1974

	<u>Total Expen- ditures</u>	<u>% Of Total</u>
<u>Total Advertising</u>	2,307.7	--
Shaw Walker	292.5	12.7%
Steelcase	273.2	11.8
C.I.T. Financial	194.8	8.4
Lyon Metal Products	190.6	8.3
Oxford Pendaflex	160.9	7.0
Herman Miller	104.6	4.5
La-Z-Boy Chair	84.7	3.7
<u>Composite</u>	1,301.3	56.4%

Table 12-C

87  
ESTIMATED ADVERTISING EXPENDITURES \*

IN BUSINESS PUBLICATIONS

(\$000)

	1965	1966	1967	1968	1969	1970	1971	1972	1973
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Lyon Metal Products Co., Ill.	121.0	178.0	232.3	239.8	338.4	312.0	324.7	357.0	380.2
Supreme Equipment & Systems, N. Y.	92.6	100.0	150.0	200.0	282.2	260.2	270.8	268.3	150.0
Shaw-Walker Co., Mich.	119.4	128.2	148.3	186.0	262.5	242.0	251.9	249.6	265.8
Acme Visible Records Inc., Va.	175.0	188.0	217.5	150.0	NA	NA	NA	NA	NA
Royalmetal Corp., N. Y.	92.0	98.8	114.3	143.3	202.2	186.4	194.0	192.2	204.6
Genl. Fireproofing Co., Ohio	150.0	138.0	110.0	137.9	194.6	179.4	186.7	45.5	NA
Hon Co., Ia.	46.9	87.4	101.1	126.8	178.9	164.9	171.6	170.0	181.0
Aurora Equip. Co., Ill.	73.8	79.3	91.8	115.1	162.4	259.7	270.3	100.0	106.5
Art Metal, Inc., N. Y.	--	--	87.0	109.1	NA	NA	NA	NA	NA
Smead Mfg. Co., Minn.	--	--	75.0	94.1	132.8	122.4	127.4	126.2	134.4
Hamilton Cosco Inc., Ind.	61.8	87.4	75.0	93.0	131.2	121.0	125.9	124.7	132.8
All-Steel Equip. Inc., Ill.	56.9	61.1	70.7	88.7	NA	NA	NA	NA	NA
Steelcase, Inc., Mich.	52.8	56.7	65.6	82.3	116.1	107.0	111.3	110.2	117.3
Harter Corp., Mich.	--	43.0	40.6	43.2	45.0	41.5	43.2	42.8	45.5
Plan Hold Corp., Calif.	--	--	80.3	40.0	NA	NA	NA	NA	NA
American Seating Co., Mich.	126.8	136.2	157.6	197.6	278.8	257.1	267.6	100.0	100.0
Heywood-Wakefield Co., Mass.	NA	NA	NA	NA	NA	44.4	46.2	45.7	48.6
Vogel-Peterson Co., Ill.	NA	NA	160.1	200.8	NA	NA	NA	NA	NA
Tab Products Co., Calif.	49.4	53.1	111.9	150.0	NA	NA	NA	NA	NA
Thonet Industries, N. Y.	36.8	39.5	45.7	85.0	NA	NA	NA	NA	NA

NA=Not Available

\*=For all company products.

SOURCE: "Leading Advertisers In Business Publications"

Table 13-A

PROFITABILITY COMPARISONMAJOR COMPANIES PRIMARILY ENGAGED IN PRODUCTION OFOFFICE FURNITURE

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
<u>Net Income After Taxes As A % Of Net Sales</u>						
American Seating Co.	3.4%	1.8%	2.7%	1.8%	(0.9%)	0.7%
GF Business Equipment	3.5	2.8	0.6	0.1	2.6	2.8
Griggs Equipment	1.4	0.0	0.0	2.2	2.4	2.1
Hauserman Inc.	3.5	(1.1)	(0.5)	(1.1)	1.3	2.6
Hillside Metal Products	4.6	(15.4)	(2.9)	6.0	--	--
Hon Industries	7.0	7.3	6.6	6.2	6.5	5.7
Lyon Metal Products	7.7	5.8	5.9	5.7	5.1	3.9
Miller (Herman) Inc.	4.7	4.8	3.5	1.6	4.0	6.0
Opic Corp.	--	--	(5.4)	1.9	3.9	3.5
Oxford Pendaflax	6.5	6.5	5.6	5.0	4.8	--
Supreme Equipment & Systems	3.4	3.9	1.0	3.7	0.6	2.7
Virco Mfg. Co.	1.4	1.8	3.2	3.0	2.2	(0.8)
Weighted Composite	4.3%	2.6%	2.4%	2.7%	2.9%	2.8%

Table 13-B  
SALES GROWTH COMPARISON

	-----(% Change, Net Sales)-----					% Chang In Sales <u>1969-19</u>
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	
American Seating Co.	-12.4%	+11.7%	+ 5.4%	- 4.4%	+12.3%	+16.1%
GF Business Equipment	- 6.2	- 6.8	+12.6	+12.9	+18.4	+31.5
Griggs Equipment	- 3.7	+ 1.3	+ 2.5	+ 4.9	+10.6	+16.0
Hauserman Inc.	- 5.4	- 5.8	-10.0	+ 1.6	+ 3.5	-15.7
Hillside Metal Products	-40.8	+72.7	+75.9	--	--	--
Hon Industries	- 3.6	+18.2	+72.4	+44.2	+25.5	255.4
Lyon Metal Products	-13.0	- 2.4	+11.3	+ 6.7	+14.5	+16.9
Miller (Herman) Inc.	+32.1	- 9.2	+ 3.1	+28.1	+33.9	112.1
Opic Corp.	NA	NA	+51.4	+43.4	+13.2	--
Oxford Pendaflex	+15.3	- 5.6	+27.4	25.8	--	--
Supreme Equipment & Systems	+14.6	- 2.0	+36.0	+21.3	+ 9.1	102.2
Virco Mfg. Co.	+ 9.6	+ 8.3	+17.0	+ 8.3	+17.9	77.4
Composite (Weighted)	- 4.6%	+ 2.0%	+17.0%	+13.7%	18.2%	--



Table 13-C

A FINANCIAL ANALYSIS OF MAJORCOMPANIES PRIMARILY ENGAGED INOFFICE FURNITURE PRODUCTION

(\$ MILLIONS)

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
<u>American Seating Co. Fiscal Year Ended 12/31</u>						
Net Sales	\$76.9	\$67.4	\$75.3	\$79.4	\$75.9	\$89.3
Net Income	2.6	1.2	2.0	1.5	(0.7)	0.6
Total Assets	60.7	57.5	63.4	68.3	67.8	68.9
Return On Sales	3.4%	1.8%	2.7%	1.8%	(0.9%)	0.7%
Return On Assets	4.3	2.1	3.2	2.2	(1.0)	0.9
Cost Of Sales As A % Sales	72.5	75.9	78.4	80.7	84.5	83.3
Selling & Adm. Exp. As % Sales	15.3	15.7	15.1	14.8	15.3	12.9
Current Ratio	2.5	2.5	2.2	2.8	2.6	2.6
Capital Exp. As % Of Gross Property	13.6%	14.9%	10.8%	15.5%	12.9%	--
<u>G. F. Business Equipment Inc. Fiscal Year Ended 12/31</u>						
Net Sales	\$87.3	\$81.9	\$76.3	\$85.9	\$97.0	\$114.8
Net Income	3.0	2.3	0.4	0.2	2.5	3.2
Total Assets	59.2	57.3	57.2	56.7	61.4	67.2
Return On Sales	3.5%	2.8%	0.6%	0.1%	2.6%	2.8%
Return On Assets	5.1	4.0	0.8	0.2	4.1	4.8
Cost Of Sales As A % Sales	75.5	76.3	80.0	81.1	77.7	78.5
Selling & Adm. Exp. As A % Sales	17.2	18.1	18.6	18.3	17.5	16.3
Current Ratio	2.8	3.0	3.5	3.8	3.1	2.4
Capital Exp. As A % Of Gross Property	6.4%	5.0%	4.5%	2.4%	7.5%	--

Continued

Table 13-C

91

## A. FINANCIAL ANALYSIS OF MAJOR (CONT'D)

## COMPANIES PRIMARILY ENGAGED IN

## OFFICE FURNITURE PRODUCTION

(\$ MILLIONS)

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
<u>Griggs Equip. Inc. Fiscal Year Ended 12/31</u>						
Net Sales	\$8.1	\$7.8	\$7.9	\$8.1	\$8.5	\$9.4
Net Income	0.1	*	*	0.2	0.2	0.2
Total Assets	4.1	4.0	4.0	4.2	5.4	5.1
Return On Sales	1.4%	--	--	2.2%	2.4%	2.1%
Return On Assets	2.4	--	--	4.3	3.7	3.9
Cost Of Sales As % Of Sales	84.5	84.8	85.6	82.2	83.7	84.4
Selling & Adm. Exp. As A % Sales	12.0	14.1	14.9	13.4	12.0	10.7
Current Ratio	9.1	10.1	5.5	4.7	4.9	7.9
	* Less than \$49,000 & more than \$49,000					

<u>Hauserman Inc. Fiscal Year Ended 6/30</u>						
Net Sales	\$45.9	\$43.4	\$40.9	\$36.8	\$37.4	\$38.7
Net Income	1.6	(0.5)	(0.2)	(0.4)	0.5	1.0
Total Assets	24.8	30.0	25.8	24.3	27.6	26.6
Return On Sales	3.5%	(1.1%)	(0.5%)	(1.1%)	1.3%	2.6%
Return On Assets	6.5	(1.6)	(0.8)	(1.6)	1.8	3.8
Cost Of Sales As % Sales	73.8	81.0	85.6	82.2	78.3	79.6
Selling & Adm. Exp. As % Sales	19.3	20.1	14.9	13.4	21.8	19.7
Current Ratio	2.5	2.4	3.1	2.9	3.0	2.6

Continued

Table 13-C A FINANCIAL ANALYSIS OF MAJOR (CONT'D)COMPANIES PRIMARILY ENGAGED INOFFICE FURNITURE PRODUCTION

(\$ MILLIONS)

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
<u>Hillside Metal Prod. Inc. Fiscal Year Ended 9/30</u>						
Net Sales	\$13.0	\$7.7	\$13.3	\$23.4	--	--
Net Income	0.6	(1.4)	(0.4)	1.4	--	--
Total Assets	14.5	11.9	12.0	15.8	--	--
Return On Sales	4.6%	(15.4%)	(2.9%)	6.0%	--	--
Return On Assets	4.1	(10.5)	(3.2)	8.9	--	--
Cost Of Sales As % Sales	82.4	119.2	94.9	80.0	--	--
Selling And Adm. Exp. As % Sales	9.4	16.3	10.6	7.4	--	--
Current Ratio	3.5	2.7	1.6	1.8	--	--

Hon Industries Fiscal Year Ended 12/31

Net Sales	\$25.1	\$24.2	\$28.6	\$49.3	\$71.1	\$89.2
Net Income	1.8	1.8	1.9	3.0	4.6	5.1
Total Assets	12.9	15.6	17.2	30.8	36.2	43.6
Return On Sales	7.0%	7.3%	6.6%	6.2%	6.5%	5.7%
Return On Assets	14.0	11.5	11.0	9.7	12.7	11.7
Cost Of Sales As A % Of Sales	62.6	61.6	63.6	65.8	66.5	69.8
Selling & Adm. Exp. As A % Sales	--	--	23.4	21.5	19.8	18.4
Current Ratio	3.4	5.8	5.0	3.1	2.6	2.5

Continued

Table 13-C

93

## A FINANCIAL ANALYSIS OF MAJOR (CONT'D)

## COMPANIES PRIMARILY ENGAGED IN

## OFFICE FURNITURE PRODUCTION

(\$ MILLIONS)

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
<u>Lyon Metal Products Fiscal Year Ended 12/31</u>						
Net Sales	\$43.9	\$38.2	\$37.3	\$42.0	\$44.8	\$51.3
Net Income	3.4	2.2	2.2	2.4	2.3	2.0
Total Assets	28.9	29.2	30.2	31.8	32.6	35.5
Return On Sales	7.7%	5.8%	5.9%	5.7%	5.1%	3.9%
Return On Assets	11.8	7.5	7.3	7.5	7.1	5.6
Cost Of Sales As A % Sales	83.5)	88.6)	88.6)	89.1)	90.5)	92.6)
Selling & Adm. Exp. As A % Sales	)	)	)	)	)	)
Current Ratio	5.3	7.2	8.0	7.1	7.4	4.3
<u>Miller (Herman) Inc. Fiscal Year Ended 5/31</u>						
Net Sales	\$19.0	\$25.1	\$22.8	\$23.5	\$30.1	\$40.3
Net Income	0.9	1.2	0.8	0.4	1.2	2.4
Total Assets	10.0	15.3	17.4	18.7	20.6	27.5
Return On Sales	4.7%	4.8%	3.5%	1.6%	4.0%	6.0%
Return On Assets	9.0	7.8	4.6	2.1	5.8	8.7
Cost Of Sales As A % Sales	61.9	61.9	60.5	61.4	61.8	60.7
Selling & Adm. Exp. As % Sales	27.7	26.7	31.0	34.3	29.7	26.4
Current Ratio	2.7	1.8	3.9	3.0	2.8	3.3

Continued

Table 13-C

94

A FINANCIAL ANALYSIS OF MAJOR (CONT'D)COMPANIES PRIMARILY ENGAGED INOFFICE FURNITURE PRODUCTION

(\$ MILLIONS)

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
<u>Opic Corp. Fiscal Year Ended 6/31</u>						
Net Sales	NA	NA	\$3.5	\$5.3	\$7.6	\$8.6
Net Income	"	"	(0.2)	0.1	0.3	0.3
Total Assets	"	"	4.7	4.7	5.1	5.4
Return On Sales	"	"	(5.4%)	1.9%	3.9%	3.5%
Return On Assets	"	"	(4.1)	2.1	5.9	5.6
Cost Of Sales As A % Sales	"	"	75.8	74.6	72.1	73.9
Selling & Adm. Exp. As A % Sales	"	"	20.4	18.8	19.0	17.1
Current Ratio	"	2.0	1.4	1.5	1.9	3.4
<u>Oxford Pendaflex Fiscal Year Ended 3/31</u>						
Net Sales	\$21.5	\$24.8	\$23.4	\$29.8	\$37.5	--
Net Income	1.4	1.6	1.3	1.5	1.8	--
Total Assets	14.0	16.6	17.3	20.8	24.1	--
Return On Sales	6.5%	6.5%	5.6%	5.0%	4.8%	--
Return On Assets	10.0	9.6	7.5	7.2	7.5	--
Cost Of Sales As A % Of Sales	61.6	62.2	61.6	62.8	63.2	--
Selling & Adm. Exp. As A % Of Sales	25.2	24.4	27.4	27.8	26.4	--
Current Ratio	5.3	3.5	4.8	3.5	2.6	--

Continued



Table 13-C

A. FINANCIAL ANALYSIS OF MAJOR (CONT'D)

COMPANIES PRIMARILY ENGAGED IN

OFFICE FURNITURE PRODUCTION

(\$ MILLIONS)

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
<u>Supreme Equip. &amp; Systems Corp. Fiscal Year Ended 7/28</u>						
Net Sales	\$8.9	\$10.2	\$10.0	\$13.6	\$16.5	\$18.0
Net Income	0.3	0.4	0.1	0.5	0.1	(0.5)
Total Assets	5.0	6.1	7.4	10.4	13.6	14.1
Return On Sales	3.4%	3.9%	1.0%	3.7%	0.6%	(2.7%)
Return On Assets	6.0	6.6	1.4	4.8	0.7	(3.5)
Cost Of Sales As A % Of Sales	73.1	72.1	75.7	72.7	77.5	80.2
Selling & Adm. Exp. As A % Of Sales	20.1	19.2	20.8	17.8	14.2	17.5
Current Ratio	2.0	1.9	4.4	3.5	3.0	2.5
<u>Virco Mfg. Co. Fiscal Year Ended 1/31</u>						
Net Sales	\$20.8	\$22.8	\$24.7	\$28.9	\$31.3	\$36.9
Net Income	0.3	0.4	0.8	0.9	0.7	(0.3)
Total Assets	11.4	13.6	12.7	14.8	20.3	22.7
Return On Sales	1.4%	1.8%	3.2%	3.0%	3.2%	(0.8%)
Return On Assets	2.6	2.9	6.3	5.9	3.4	(1.3)
Cost Of Sales As % Sales	72.5	71.2	68.1	68.3	67.9	69.9
Selling & Adm. Exp. As % Sales	21.3	21.5	22.0	22.6	23.2	23.8
Current Ratio	4.4	2.4	4.1	4.1	3.2	2.2



#### SECTION XIV

#### COMPANY DESCRIPTION & DEVELOPMENTS

COMPANY DESCRIPTION & DEVELOPMENTSAVM Corporation

The company manufactures and markets voting machines and election supplies, metal fabricated products, metal case work, and office furniture.

Office furniture represented 24% of sales and 21% of net income in 1974. Chairs desks fill cabinets and other types of office furniture are produced by the Signore Division.

In 1973 the company discontinued its steel casework, industrial cabinets, moulded wood products and plastic laminated products operations.

Cosco Inc.

Formerly Hamilton Cosco, the company manufactures a line of home furnishings, housewares, and business furniture.

Business furniture is produced by the company's Cosco Business Furniture Division. The product mix includes metal office chairs, desks, file cabinets and lounge furniture. In 8/71, the company acquired certain assets of the Globe Wernicke office furniture business.

Although price increases were implemented during 1974, they could not be applied to a substantial amount of the company's business that is sold at fixed prices under long term catalog commitments.

GF Business Equipment (See Company Financial Analysis Section)

Formerly General Fireproofing Co., G. F. Business Equipment is a leading manufacturer of metal office furniture and equipment. The three major product lines are office desks and tables, chairs and other seating, and files and record storage units. Over 90% of 1973 sales came from these products. Sales generally reflect over all business activity with about  $\frac{1}{2}$  of office furniture sales made to furnish new structures, and the other half to remodel or refurbish existing structures.

During 1974, the company changed from the AIFO to LIFO method of inventory accounting.

Capital expenditures for 1974 are estimated to have been \$5-\$6 million, up from \$3.3 million in 1973.

Continued

COMPANY DESCRIPTION & DEVELOPMENTS (CONT'D)Hauserman, Inc. (See Co. Financial Section)

The company designs manufactures and installs a wide range of movable interior walls, partitions, screens, interior wall systems, storage cabinets, shelves, and tables.

For the three months ended 9/30, 1974 revenues and sales were off 4.5% year to year. Net income declined 96%.

HON Industries (See Co. Financial Section)

The company is a major manufacturer of office furniture. The company believes that combined sales of its three furniture operations, place it third or fourth among U. S. manufacturers of office furniture.

Wood and metal office furniture sales account for about 90% of sales, with material handling equipment accounting for the remainder.

Metal office furniture is distributed nationally through 4,000 stationery and office furniture retailers, and 65 wholesalers.

The company claims that costs increased 32% in 1974, exceeding the 25% sales increase. The cost of steel alone, rose 60% during the year.

In November, 1974 the company entered the wood office furniture market with the acquisition of Norman Bates Inc. The acquired company located in Anaheim, California, had a 1974 volume of about \$1,000,000. The founder of the company, Norman Bates, remains with the company as executive V. P.

A 200,000 sq. ft. manufacturing facility near Richmond, Va. was leased in the 3rd quarter of 1974 to provide eastern production for the company. Start-up, which was planned for the second quarter of 1975, will be moved back due to business uncertainties.

During the fourth quarter of 1974, the company completed a 60,000 sq. ft. warehouse at its Muscatine plant.

In September, a one year payroll deduction stock offering to employees was completed. Another plan was offered in December of 1974. Over 50% of the outstanding shares of the company are now owned by employees and directors.

The company says that long range planning focuses upon new products, production facilities.

Continued



COMPANY DESCRIPTION & DEVELOPMENTS (CONT'D)

Miller, Herman Inc. (See Co. Financial Section)

The company manufactures furniture and furniture systems for sale to the office and educational markets.

In January 1974, Vernon Poest, was appointed Senior Vice President and Chief Financial Officer.

International licensee sales were up 25% in 1974, and income from these operations increased 19%.

Due to increased difficulty in buying Brazilian rosewood from Brazil, the company has begun purchasing the wood from Europe. Initially the company purchased an eight months supply, and is currently restudying its alternatives relating to a veneer that is increasingly harder to get, and whose price continues to climb.

Missouri Portland Cement Co.

The company is primarily engaged in the production and sale of portland cement. It also produces office and institutional furniture.

Eck-Adams, acquired Nov. 30, 1973, is a manufacturer of office and institutional furniture. In July, 1974, Eck-Adams acquired L. C. Fle-Welling Co. who produce similar products, and whose sales are about \$6.5 million.

Supreme Equipment & Systems Corp. (See Co. Financial Section)

The company manufactures and sells storage and retrieval systems, including manual office filing equipment (69% of fiscal 1974 sales).

The mainstay of the company's manual equipment line is a metal filing cabinet sold under the tradename, Roll-Out Conserv-A-File. The largest buyer of the manual filing systems is the Federal Government which accounts for about 12% of total sales.

The company has converted the manual product division from what was essentially a custom operation, to the mass production of standard units. However, in the company believes that a substantial portion of future growth will come from their electric products group.

The company's advertising program has been intensified in recent years, with advertising expense increasing from \$200,000 in fiscal 1967 to \$400,000 in fiscal 1974.

Continued

COMPANY DESCRIPTION & DEVELOPMENTS (CONT'D)Tiffany Industries Inc.

The company manufactures agricultural equipment, office furniture, corrugated packaging and viewing devices.

Office furniture accounted for 18% of sales and 9% of income in 1973.

In February 1972, the company acquired Modulo 3 Inc. which sells a line of modular office furniture.

In 1973, office furniture production was relocated to a new plant in Conway Arkansas.

The company claims 1974 sales to have been adversely affected by softness in parts of the office furniture industry.

SECTION XVNEW PRODUCTS



NEW PRODUCTS 1974-1975

- 1) Acme Visible Records, Inc., Crozet, Va.--  
Modular Arranged Cabinets Place Data Into One System  
 Cabinet work station provides a simple, concise method for organizing a multitude of records in a minimum of space. Modern styled units house card forms up to 13 in. wide. Trays within the cabinets are readily interchanged. Stands, with T-designed legs and 18 in. deep pull-out posting shelf, compliment the new system. Each record carries its own visible index, making possible fast access for posting or reviewing.
  
- 2) Fisher Scientific Co., Pittsburgh, Pa.--  
Safety Cabinet  
 Welded steel horizontal storage cabinet has sandwich--layer walls and floor of 18 gage thickness with a  $1\frac{1}{2}$  in. air space between layers. The floor is 2 in. lower than the door sill to trap accidental spillage, and the double doors are secured by a three-point, spark-proof latching mechanism. Cabinet is finished in yellow, corrosion--resistant enamel and has a red safety reminder on the door. An accessory tilt rack with 55-gal. drums is rolled into the cabinet on a steel ramp and guided into position by floor tracks. Cabinet has four adjustable leveling feet, two vents with perforated fire baffels, and 2 in. pipe fittings, and two ground studs. It measures 50 in. high by  $48\frac{1}{4}$  in. deep by  $30\frac{1}{2}$  in. wide.
  
- 3) Jensen Engineering, Inc., Santa Rosa, Calif.--  
New Acoustic Workstation Cuts Office Machine Noise  
 Quiet-Line arrangement consists of a walnut desk housing a typewriter, storage for stationary, tapes, cards and a pull-out writing board, previously purchased noise enclosures will also fit the desk, which comes in left and standard right handed models. Matching modules in file cabinets and taborets increase work and storage areas. Work-station provides a quieter work environment, and complies with OSHA directives.

Continued

NEW PRODUCTS 1974-1975 (CONT'D)4) Tekee Inc., Glen Riddle, Pa.--Key File

Eight-drawer key file holds from 1700 to 2240 individual keys. For easy access, the Presidents model has cradle-type extensions that let drawers clear the cabinet by  $\frac{1}{2}$  in. The drawers move on ball-bearing rollers, and there is a spring lock on top of the cabinet. Included are permanent and temporary key markers, key gathering envelopes, brass receipt holders, signature receipt forms, hook label strips, and visible index cards. The cabinet is 52 in. high, 18  $\frac{13}{16}$  in. wide, and 28  $\frac{9}{16}$  in. deep. Weight is 500 lb.

5) Lyon Metal Products, Inc., Aurora, Ill.--Desk Organizer

Desk top sorter stands on top of any table, counter, or workbench and has felt pads to protect surface and prevent slipping. It keeps catalogs, correspondence, and other papers handy and out of the way. Sorter comes with three 7 in. dividers, and two adjustable corner shelves. It assembles in minutes without nuts or bolts. Colors are grey, tan, or black enamel. Sorter measures 58 $\frac{1}{4}$  in. wide, 10 in. deep, and 12 in. high.

6) Lyon Metal Products, Inc., Aurora, Ill.--Desk-Top Sorter

Directories, records and active correspondence can be organized efficiently by means of the desk-top sorter. The sorter is freestanding, and is equipped with felt pad on the bottom to protect the desk top or other work surfaces. The unit measures 58 $\frac{1}{4}$  in. wide, 10 inches deep and 12 inches high, and comes with three 7-inch high dividers, two 4-inch high dividers and two adjustable corner shelves. The dividers and shelves are adjustable on one-inch centers.

7) Security Engineered Machinery Co., Westboro, Ma.--Disposal Cabinet

Tamperproof security selection cabinet protects confidential material until it can be destroyed. The cabinet is about the size and appearance of a four-drawer filing cabinet. Anyone can put material into it through a drawer, but removal requires a key. Material drops from a bag into a frame that simplifies collection and removal. A hasp locks permits access only authorized personnel, and also makes it easier to change locks.

Continued

NEW PRODUCTS 1974-1975 (CONT'D)8) Hobart Cabinet Co., Troy, Ohio--  
Drawer Cabinets

Two steel cabinets each have 27 drawers that each glide smoothly and silently on two rollers. Prevention stops keep them from pulling out accidentally. Both units are free standing and can be used in multiples or stacked. Optional steel bases raise bottom drawer off the floor 5 in. Models 210 and 250 both measure 30  $\frac{3}{4}$  in. wide by 37 in. high but are 13 $\frac{1}{2}$  in. and 17 $\frac{1}{2}$  in. deep respectively. Drawers are 9 in. wide by 3 in. high; 12 or 16 in. deep. Finish is gray or green baked enamel and fronts have label holders.

SECTION XVI

SALES & EMPLOYMENT DATA

MAJOR MANUFACTURERS OF WOOD & OFFICE FURNITURE



ESTIMATED SALES & EMPLOYEE DATAMFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
Steelcase Inc. Grand Rapids, Mi.	Mnfr. Metal & Wood Office Furniture	4,800	180MM
Hesston Corp. Hesston, Ks.	Mnfr. Specialized Farm Machinery & Equipment Heating Equipment Most Office Furniture	3,950	98MM
Delwood Furniture Birmingham, Ala. (Suby. of U. S. Industries Inc.)	Mnfr. Upholstered Furniture Mnfr. Mnfr. Occasional Tables, Accent Pieces & Upholstered Furniture, Mnfr. Metal & Wood Office Chairs & Reception Room Furniture	2,800	76MM
All-Steel Inc. Aurora, Ill. (Suby. of CIT Financial Corp.)	Mnfr. & Distribute Office Furniture	1,600	70MM
Interroyal Corp. New York, N. Y.	Mnfr. Metal & Wood Office Furniture, Hospital Beds & Furniture Partitions Library & Industrial Shelving & Dormitory Furniture	2,000	NA
Knoll International Inc. Chicago, Ill. (Suby. of Walter E. Heller Int'l.	Mnfr. Metal & Wood Office Furniture & Wood Household Furniture	850	50MM

Continued

ESTIMATED SALES & EMPLOYEE DATA (CONT'D)MFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
High Point Furniture Industries	Mnfr. Wood Office Furniture	200	45MM
Shaw-Walker Co. Muskegon, Mi.	Mnfr. Metal Office Furniture Filing Systems & Accounting Systems	1,450	35MM
Waterloo Industries Inc. Waterloo, Ia.	Mnfr. Air Conditioning & Heating Equipment, Metal Cabinets & Boxes	996	29MM
Art Metal USA Inc. Newark, N. J.	--	445	23MM
Mayville Metal Products Co. Mayville, Wi. (Suby. of Ogden Metals Corp.)	Mnfr. Fabricated Metal Products Incl. Cabinets Office Equipment & Other Housing Assemblies & Components	625	20MM
Alma Desk Co. Inc. High Point, N. C.	Mnfr. Executive & Commercial Office Furniture & Institutional Furniture	650	20MM
Williams Hudson America Inc. Stamford, Ct. (Suby. of Williams Hudson Ltd. London Eng.)	Mnfr. Wood Office Furniture	510	18MM
Thonet Industries Inc. York, Pa. (Suby. of Simmons Co.)	Mnfr. & Whl. Wood & Metal Furniture	900	17MM

Continued



ESTIMATED SALES & EMPLOYEE DATA (CONT'D)MFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
Metalstand Co. Philadelphia, Pa. (Suby. of Blair Mfg. Co.)	Mnfr. Metal Office Furniture	450	14MM
Blair Mfg. Co. Marietta, Ga.	Mnfr. Office & Institutional Furniture	450	13MM
Simlog Corp. Seattle, Wa.	Holding Company Mnfr. Woodworking & Specialized Machinery Wooden Furniture Electronic Moisture Detecting Equipment & Packaging Of Pharmaceuticals Equipment	350	13MM
Murphy-Miller Inc. Owensboro, Ky. (Suby. of Kroehler Mfg. Co.)	Mnfr. Office Furniture, Wood Household Furniture, Whl. Piece Goods	450	11MM
OAHU Plumbing Sheet Metal Ltd. Honolulu, Hi. (Suby. of Sen Plex Corp.)	Plumbing Air Conditioning, Sheet Metal Mnfr., Furniture Awning, Whl. Furniture & Restaurant Equipment	350	10MM
Stow & Davis Furniture Co. Grand Rapids, Mi.	Mnfr. Wood Executive Office Furniture & Metal Cabinets	500	9MM
Jofco Inc. Jasper, In.	Mnfr. Wooden Office Furniture	300	9MM

Continued

ESTIMATED SALES & EMPLOYEE DATA (CONT'D)MFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
Belvedere Products Inc. Belvidere, Ill.	Mnfr. Beauty, Barber Shop, Medical & Dental Equipment & Wood Office Furniture	250	9MM
Boling Chair Co. Siler City, N. C.	Mnfr. Chairs & Desks	490	8MM
Harter Corp. Sturgis, Mi.	Mnfr. Metal & Wood Office & Institutional Furniture & Metal Business Machine Stands	400	8MM
Designcraft Metal Mfg. Corp. Carlstadt, N. J.	Mnfr. & Whl. Office Furniture & Equipment	277	8MM
Haskell of Pittsburgh Inc. Verona, Pa.	Mnfr. Metal Office Furniture	400	7MM
American Fixture Inc. Joplin, Mo. (Suby. of Lozier Corp.)	Mnfr. Store & Display Furniture	319	7MM
Jamestown Metal Mfg. Corp. Jamestown, N. Y.	Mnfr. Metal Casegoods, Marine Furniture & Specialty Metal Products	303	7MM
OLIX Industries Inc. Kansas City, Ks.	Oil & Gas Production, Mnfr. Office Furniture & Chairs, Real Estate Developer & Engineering Contractor Holding Company	210	7MM
Charlton Co. Inc. Leominster, Ma.	Mnfr. Furniture	205	7MM

Continued

ESTIMATED SALES & EMPLOYEE DATA (CONT'D)MFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
Western Stamping Corp. Jackson, Mi.	Mnfr. Metal & Plastic Toys, Desks, Stampings, Injection Molding & Silk Screen Printing	165	7MM
Rishel J. K. Furniture Co. Williamsport, Pa. (Suby. of Lycoming Furniture Ind.)	Mnfr. Wood Office & Household Furniture	425	6MM
Clarendon Industries Inc. High Point, N. C.	Mnfr. Upholstered & Office Furniture	275	6MM
Meilink Steel Safe Co. Toledo, Ohio	Mnfr. Safes & Metal Office Furniture & Radio & Television Transmitting Signaling & Detection Equipment	200	6MM
Watson Mfr. Co. Inc. Jamestown, N. Y.	Mnfr. Metal Office Furniture, Chassis & Slides Hospital Casework Rol-Dex Elevator Doors & Cabs	400	5MM
Gosco Business Furniture Inc. Gallatin, Tn. (Suby. of Cosco Inc.)	Mnfr. Metal Office Furniture	450	NA
Browne-Morse Co. Muskegon, Mi.	Mnfr. Metal Laboratory Equipment, Hospital Case Work, Fume Hoods, Steel Office Furniture	250	5MM
Domore Office Furniture Inc. Elkhart, Ind. (Suby. of I. K. D. Corp.)	Mnfr. Executive Office Furniture	250	5MM

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ESTIMATED SALES & EMPLOYEE DATA (CONT'D)

MFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
Cramer Industries Inc. Kansas City, Ks. (Suby. of Olix Industries Inc.)	Mnfr. Metal Office Equipment	240	5MM
Emeco Industries Inc. Hanover, Pa.	Mnfr. Metal Office Furniture	220	5MM
Eck-Adams Corp. Peru, Ind. (Suby. Missouri Portland Cement Co.)	Mnfr. Metal & Wood Office & Institutional Furniture	200	5MM
Amco Engineering Co. Chicago, Ill.	Mnfr. Modular Instrument, Enclosures In Steel & Aluminum	180	5MM
Pilot Woodworking Co. Inc. Carlstadt, N. J.	Mnfr. Architectural Woodwork & Cabinetry, Wood Office Furniture	140	5MM
Adirondack Chair Co. Inc. New York, N. Y.	Mnfr. Institutional School & Office Furniture	42	5MM
Buckstaff Co. Oshkosh, Wi.	Mnfr. Commercial Educational & Health Care Furniture	300	4MM
Thiem Industries Inc. Torrance, Calif.	Precision Metal Fabrication Machining & Assembly & Mnfr. Metal Office Furniture	200	4MM

Continued

ESTIMATED SALES & EMPLOYEE DATA (CONT'D)MFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
Anderson-Hickey Co. Inc. Henderson, Texas	Mnfr. Steel Office Furniture	250	NA
Indiana Desk Co. Inc. Jasper, Ind.	Mnfr. Desks & Tables	180	4MM
Chromodern Chair Co. Los Angeles, Calif.	Mnfr. Metal Office & Household Furniture, Upholstered Household Furniture & Wood Office Furniture	175	4MM
Jasper Desk Co. Inc. Jasper, Ind.	Mnfr. Wood Office Furniture	175	4MM
Art-Lloyd Metal Products Corp. Brooklyn, N. Y.	Mnfr. Office Equipment	130	4MM
Harbor Universal Inc. San Leandro, Calif.	Mnfr. Metal Office Furniture	100	4MM
Jansko Inc. Ft. Lauderdale, Fla.	Mnfr. Metal Furniture	100	4MM
Gregson Mfg. Co. Inc. Liberty, N. C.	Mnfr. Wood & Upholsters Office Furniture	150	3MM
Hoosier Desk Co. Inc. Jasper, Ind.	Mnfr. Wood Office Furniture	135	3MM

Continued



ESTIMATED SALES & EMPLOYEE DATA (CONT'D)MFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
Jasper Table Co. Inc. Jasper, Ind.	Mnfr. Wood Office & School Furniture	100	3MM
Stout Chair Co. Inc. Liberty, N. C.	Mnfr. Wooden Office School & Household Furniture	100	3MM
Tennsco Corp. Dickson, Tn. (Suby. of Midwest Folding Prod. Mfg.)	Mnfr. Metal Cabinets & Filing Equipment	95	3MM
Brush John D. & Co. Inc. Rochester, N. Y.	Mnfr. Fire Resistive Safe File & Box & Metal Office Furniture	89	3MM
Taylor Chair Co. Cleveland, Ohio	Mnfr. Upholstered Office Furniture & Occasional Tables	80	3MM
Hardwood House Inc. Rochester, N. Y. (Suby. of OPIC Corp.)	Mnfr. Wood Office Furniture	75	3MM
Stackbin Corp. Lincoln, R. I.	Mnfr. Metal Partitions, Shelving, Lockers, Sheet Metal Work, Industrial Trucks & Tractors & Metal Office Furniture	75	3MM
Davis Furniture Industries Inc. High Point, N. C.	Mnfr. Seating Tables, Desks For Contract Ind.	145	2MM

Continued



ESTIMATED SALES & EMPLOYEE DATA (CONT'D)MFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
Jasper Seating Co. Inc. Jasper, Ind.	Mnfr. Wooden Upholstered & Plain Office Chairs & Wooden School Chairs	105	2MM
Jasper Chair Co. Inc. Jasper, Ind.	Mnfr. Wood Office & Library Chairs	95	2MM
Goshen Mfg. Co. Inc. Goshen, Ind. (Suby. of Gleason Corp.)	Mnfr. Wood & Aluminum Ladders, Summer & Casual Furniture, Lawn Swings & Park Benches	75	2MM
D. & L. Office Furniture Co. Chicago, Ill.	Ret Whl. Mnfr. & Rent Office Furniture	60	2MM
Toledo Metal Furniture Co. Toledo, Ohio	Mnfr. Metal Office Furniture, Special Purpose Equipment For Industry & Schools	60	2MM
Western Mfg. Co. Inc. Aurora, Ill.	Mnfr. Steel Filing Cabinets & Desks	60	2MM
United Wood Products Co. Inc. Jasper, Ind. (Suby. of United Mfg. Co. Inc.)	Mnfr. Desks	55	2MM
West Michigan Furniture Co. Holland, Mi.	Mnfr. Bedroom Furniture, Wood Partitions, Shelving, Lockers, Office & Store Fixtures & Public Building Furniture	83	1MM
Indiana Chair Co. Inc. Jasper, Ind.	Mnfr. Wooden & Upholstered Office Chairs, Wooden School & Institutional Chairs	75	1MM

ESTIMATED SALES & EMPLOYEE DATA (CONT'D)MFRS. OF WOOD & METAL OFFICE FURNITURE

<u>Company And Location</u>	<u>Product Line</u>	<u>Number Of Employees</u>	<u>1974 Sales</u>
Moser Mfg. Co. Rogers, Ar.	Mnfr. School Office & Store Fixtures	30	1MM
Anderson, Fred K. & Sons Inc. Los Angeles, Calif.	Architectural Woodworking, General Building Contractor, Bank Fixtures & Furniture	30	1MM
Kelfer Morris San Antonio, Texas	Mnfr. Office Furniture	19	936M
Security Builders Los Angeles, Calif.	General Contractor of Single Family Homes & Mnfr. Wood Office Furniture	30	819M
Hobbs Guy Inc. Red Lion, Pa. (Suby. of Furntec Industries Inc.)	Mnfr. Wood Office Furniture, Stereo Cabinets & Household Furniture	65	800M
Contempo Associates Inc. Silver Spring, Md. (Suby. of Revere Group Inc.)	Mnfr. Plastic Laminated & Metal Furniture	40	750M
Stationers Mfg. Co. Inc. Fort Worth, Texas	Mnfr. Office Furniture	50	696M
Thomas William Gardena, Calif.	Mnfr. Metal Office Furniture	2	65M

SOURCES: Dun & Bradstreet Million Dollar Directory,  
Dun & Bradstreet Middle Market Directory

